



# **UMIYA TUBES LIMITED**

(CIN: L28112GJ2013PLC074916)

**SEVENTH  
ANNUAL REPORT  
2019-20**



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

SEVENTH ANNUAL REPORT 2019 20

<b>BOARD OF DIRECTORS</b>	:	Mr. Saurabhkumar R. Patel (DIN: 06964670)	Chairperson & Managing Director
		Mr. Surendrasinh P Vaghela (DIN: 06415080)	Managing Director
		Mr. Bharatkumar P Patel (DIN: 06562786 )	Whole Time Director (Upto 29 <sup>th</sup> June, 2020)
		Ms. Beena P Vaghela (DIN: 03577571)	Director (Upto 9 <sup>th</sup> October, 2019)
		Mr. Yash Joshi (DIN: 08436257)	Director (w.e.f 29 <sup>th</sup> June, 2020)
		Mr. Vikram G Patel (DIN: 07397444)	Independent Director (Upto 9 <sup>th</sup> October, 2019)
		Mr. Rajesh K Dave (DIN: 07398886)	Independent Director (Upto 29 <sup>th</sup> June, 2020)
		Mr. Mitesh G Patel (DIN: 07397651)	Independent Director
		Mr. Atul J Popat (DIN: 07323826)	Independent Director
		Mrs. Shobhanaben B. Dave (DIN: 08768365)	Independent Director (w.e.f 29 <sup>th</sup> June, 2020)
<b>CHIEF FINANCIAL OFFICER</b>	:	Mr. Riken B. Patel (upto 9 <sup>th</sup> October, 2019) Mr. Yash Joshi (w.e.f. 29 <sup>th</sup> June, 2020)	
<b>COMPANY SECRETARY</b>	:	CS Ritendrasinh K Rathod	
<b>BANKERS</b>	:	Vijaya Bank Gandhinagar	HDFC Bank Gandhinagar
<b>STATUTORY AUDITORS</b>	:	M/s. P. Singhvi & Associates 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 **SEVENTH ANNUAL GENERAL MEETING** of the Members of **UMIYA TUBES LIMITED** will be held as scheduled below:

Date	: 31 <sup>st</sup> December, 2020
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:

- To receive and adopt audited financial statements of the Company for the financial year 2019-20 and to pass the following resolution, with or without modification, as an ORDINARY RESOLUTION:  
**“RESOLVED THAT** the Audited Financial Statements of the Company for the financial year 2019-20 comprising of Balance Sheet as on 31<sup>st</sup> March, 2020 and the Profit and Loss Statement for the Financial year ended on 31<sup>st</sup> March, 2020 together with all annexure and attachment thereto including the Directors’ Report and Auditors’ Report thereon, which have already been circulated to the Members and as laid before this meeting, be and the same are hereby approved and adopted.”
- 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 a Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESS:

- To appoint Mrs. Shobhanaben B. Dave (DIN: 08768365) as Independent Director of the Company for a term of five years and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:  
**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) thereof) and pursuant to applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, Mrs. Shobhanaben B. Dave (DIN: 08768365), in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of the Director and who has submitted a declaration that she meets the criteria of Independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (Five) years w.e.f 29<sup>th</sup> June, 2020 and upto the date of Annual General Meeting to be held in the year 2025.  
**RESOLVED FURTHER THAT** the Board of Directors are at liberty to alter and vary the terms and conditions of the appointment so as to include any modification or re enhancement thereof, for the time being in force or any amendments or modification that may hereafter be made thereto and as may be agreed between the Board of Directors and Mrs. Shobhanaben B. Dave.  
**RESOLVED FURTHER THAT** any one of the Director be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to aforementioned resolution.”
- To appoint Mr. Yash Joshi (DIN: 08436257) as Director of the Company and to pass following resolution, with or without modification, as an ORDINARY RESOLUTION:  
**“RESOLVED THAT** Mr. Yash Joshi (DIN: 08436257), be and is hereby appointed as Director of the Company, liable to retire by rotation.”
- To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:  
**Re-appointment of Mr. Miteshkumar G. Patel (DIN: 07397651) as an Independent Director of the Company for second term of 5 consecutive years.**  
**“RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 29<sup>th</sup> June, 2020 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations, approval of the Company, be and is hereby accorded for re-appointment of Mr. Miteshkumar G. Patel (DIN: 07397651) as an Independent Director of the Company, whose current period of office is up to 16<sup>th</sup> January, 2021 and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a

Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company from 16<sup>th</sup> January, 2021 to 15<sup>th</sup> January, 2026.

**RESOLVED FURTHER THAT** any one Director of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a SPECIAL RESOLUTION:

**Re-appointment of Mr. Atul J. Popat (DIN: 07323826) as an Independent Director of the Company for second term of 5 consecutive years.**

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 29<sup>th</sup> June, 2020 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations, approval of the Company be and is hereby accorded for the re-appointment of Mr. Atul J. Popat (DIN: 07323826) as an Independent Director of the Company, whose current period of office is up to 16<sup>th</sup> January, 2021 and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made thereunder and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company 16<sup>th</sup> January, 2021 to 15<sup>th</sup> January, 2026.

“**RESOLVED FURTHER THAT** any one Director of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**Registered Office:**

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

**Date: 12<sup>th</sup> November, 2020**

**CIN:L28112GJ2013PLC074916**

**By Order of the Board**

sd/-

**Saurabhkumar R. Patel**

**(DIN: 06964670)**

**Chairperson and Managing Director**

**NOTES:**

1. In view of Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide circular no. 20/2020 dated 5<sup>th</sup> May, 2020 read with circular No. 14/2020 dated 8<sup>th</sup> April, 2020 and circular No. 17/2020 dated 13<sup>th</sup> April, 2020 (collectively referred to as ‘MCA Circulars’), inter alia, permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) without the physical presence of the Members at a common venue. Hence, the Company is providing VC option to the members of the company to attend the meeting through video conferencing. However, the members attending the meeting through VC shall not be entitled to attend proxy. The credentials of attending the meeting through VC are given elsewhere in this Notice.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. Pursuant to the Regulation 42 of SEBI (LODR) Regulations, 2015 and section 91 of the Companies Act, 2013, Register of Members and Shares Transfer Books of the Company will remain closed from Thursday, 24<sup>th</sup> December, 2020 to Thursday, 31<sup>st</sup> December, 2020 (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) Pvt. Ltd.

**Unit : Umiya Tubes Limited**

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

6. The Notice of the 7<sup>th</sup> AGM along with the Financial Statements 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.
7. The members whose email ids are not registered in their Demat Account with their Depository Participant and who have not provided their email ids to the Company/RTA, are requested to provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company (info@umiyatubes.com) / RTA (support@purvashare.com).

#### 8. REMOTE E-VOTING AND ALSO E-VOTING DURING AGM:

- Pursuant to provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 the Company is pleased to offer remote e-voting facility to the members to cast their votes electronically on all resolution set forth in the notice convening 7<sup>th</sup> Annual General Meeting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility (both remote e-voting and e-voting during the AGM). The complete details of the instructions for e-voting are annexed to this notice.
9. The instructions for shareholders voting on the day of the AGM on e-voting system and instructions for attending the AGM through VC / OAVM are also annexed to this Notice separately.
  10. Members, Directors, Auditors and other eligible persons to whom this notice is being circulated can attend this annual general meeting through video conferencing at least 15 minutes before the schedule time and shall be closed after expiry of 15 minutes from the scheduled time.
  11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Attendance of the members will be recorded on the CDSL platform at the time when the member log in to attend the AGM through VC/OAVM
  12. Additional information pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard on General Meeting (SS-2) notified under the Companies Act, 2013 in respect of the directors seeking appointment/reappointment at the AGM are furnished and annexed to the notice.

#### EXPLANATORY STATEMENT:

##### ITEM NO. 3:

The Company has received a Notice from a Member in writing along with other documents under Section 160 of the Act, proposing candidature of Mrs. Shobhanaben B. Dave (DIN: 08768365) for the office of the Independent Director in the category of Woman Director also.

Mrs. Shobhanaben B. Dave, aged 63 years has completed first year of Commerce graduation. She has worked as consultant gaining experience in administrative, human resource, accounts and finance aspects of the business. She is also registered herself with the Independent Directors database maintained by IICA.

She has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act and not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Shobhanaben B. Dave fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director and she is Independent from the management.

Hence, in compliance with the provisions of Section 149 read with Schedule IV of the Act and applicable requirements of the SEBI (LODR) Regulations, the appointment of Mrs. Shobhanaben B. Dave as an Independent Directors is being placed before the Members for their approval by an Ordinary Resolution.

The Company has received from Mrs. Shobhanaben B. Dave the following documents:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014;
- (ii) Intimation in Form DIR-8 in terms of Rule 14 of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.

Looking to the diversified experience and expertise, the Board is of the opinion that the guidance and advice of Mrs. Shobhanaben B. Dave as a Director will be of immense value.

Hence, the Directors recommend this resolution to be passed as an Ordinary Resolution.

The documents connected with this special business including terms and conditions of appointment of Mrs. Shobhanaben B. Dave will be open for inspection at the registered office of the Company on all working day during normal working hours of the Company.

Mrs. Shobhanaben B. Dave is interested in this resolution since it relates to her appointment as an Independent Director of the Company. Mrs. Shobhanaben B. Dave is not related with any other Directors of the Company inter-se. Other particulars are also given elsewhere in this Notice.

Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution.

##### ITEM NO. 4:

The Company has received a Notice from a Member in writing, proposing candidature of Mr. Yash Joshi (DIN: 08436257) for the office of Director.

Mr. Yash Joshi aged 25 years is a young engineering graduate having flavor for various aspects of business management and finance. In view of this, the Board of Directors has appointed him as an Additional Director of the Company w.e.f. 29<sup>th</sup> June, 2020 and has also recommended his appointment as Director of the Company subject to approval of the members of the Company.

The Company has received from Mr. Yash Joshi the following documents:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014;
- (ii) Intimation in Form DIR-8 in terms of Rule 14 of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.

Looking to the diversified expertise, the Board is of the opinion that the guidance and advice of Mr. Yash Joshi as a Director will be of immense value. Hence, the Directors recommend this resolution to be passed as an Ordinary Resolution.

Mr. Yash Joshi is interested in this resolution since it relates to his appointment as a Director of the Company. Except this, no other Director or Key Managerial Person or their relatives are concerned or interested in this resolution.

Other particulars of Mr. Yash Joshi are also given elsewhere in this Notice.

The documents connected with this special business including terms and conditions of appointment of Mr. Yash Joshi will be open for inspection at the registered office of the Company on all working day during normal working hours of the Company.

**ITEM NO. 5 and 6:**

Pursuant to Section 149 and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and the applicable provisions of Listing Regulations, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company and shall be eligible for reappointment on passing of a Special Resolution by the Company.

In accordance to that Mr. Miteshkumar G. Patel (DIN: 07397651) and Mr. Atul J. Popat (DIN: 07323826), were appointed as Independent Directors of the Company for a term of 5 years from 16<sup>th</sup> January, 2016 and will complete their initial term as an Independent Director of the Company on 15<sup>th</sup> January, 2021, they are eligible for re-appointment for one more term.

The Board of Directors in its meeting held on 29<sup>th</sup> June, 2020 noted that the above Directors are reasonably known professionals drawn from diverse fields, who bring with them a wide range of skills and experience to the Board, which enhances the quality of Board's decision-making process. The Company and the Board has immensely benefited from their vast experience, knowledge and strategic insights on various matters relating to the Company's business. Considering the enormous contribution of the Directors to the functioning and performance of the Company, the Board felt that it will be in the interest of the Company to re-appoint them as Independent Directors.

The Board of Directors of the Company on the basis of the report of performance evaluation and the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Miteshkumar G. Patel (DIN: 07397651) and Mr. Atul J. Popat (DIN: 07323826) as Independent Directors of the Company not liable to retire by rotation, for a second term of 5 (five) consecutive years w.e.f. 16<sup>th</sup> January, 2021.

Mr. Miteshkumar G. Patel (DIN: 07397651) and Mr. Atul J. Popat (DIN: 07323826) have given their consent to act as Independent Directors of the Company and have furnished necessary declarations to the Board of Directors that they meet the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further as per the declarations received by the Company, Mr. Miteshkumar G. Patel and Mr. Atul J. Popat are not disqualified to be re-appointed as Directors under Section 164 of the Companies Act, 2013. The Company has received notices in writing from members under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Miteshkumar G. Patel and Mr. Atul J. Popat for the office of Director of the Company. In the opinion of the Board Mr. Miteshkumar G. Patel and Mr. Atul J. Popat fulfils the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment as Independent Directors. A brief profile of the aforesaid Independent Director proposed to be re-appointed including nature of their expertise and shareholdings in the Company, etc. are given elsewhere in this Notice.

None of the Directors or Key Managerial Personnel except Mr. Miteshkumar G. Patel and Mr. Atul J. Popat either directly or through their relatives with regard to their respective re-appointment are, in any way, concerned or interested, whether financially or otherwise, in the resolutions as set out at Item Nos. 5 and 6 of the Notice. The Board of Directors, therefore, recommends the Resolutions as set out at Item Nos. 5 and 6 to be passed as Special Resolutions by the Members.



**Details of Director Seeking Appointment at the Annual General Meeting**

Particulars	Mr. Shobhanaben B. Dave (DIN: 08768365)	Mr. Yash Joshi (DIN: 08436257)
Date of Birth	17/07/1957	09/07/1995
Date of the first Appointment on the Board	29/06/2020	29/06/2020
Qualification	F. Y. B. Com	Engineer
Expertise in Specific functional areas	Administrative, Human Resource, Accounts and Finance	Engineering, Production and other technical aspects
Directorships held in other Companies	Nil	Nil
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	- The term of appointment of Independent Director shall be five years w.e.f 29 <sup>th</sup> June, 2020	- Not Applicable
Number of Board Meetings attended during the year	N.A.	N.A.
Memberships/ Chairmanships of committees of Board of Directors of Company	3 (Three)	Nil
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he/she is director	Nil	Nil
Number of shares held in the Company	Nil	Nil
Disclosure of relationship between directors inter-se	N.A.	N.A.

**Details of Director Seeking Re-appointment at the Annual General Meeting**

Particulars	Mr. Surendrasinh P. Vaghela (DIN: 06415080)	Mr. Mitesh G Patel (DIN: 07397651)	Mr. Atul J Popat (DIN: 07323826)
Date of Birth	20/05/1987	26/07/1990	18/03/1972
Date of the first Appointment on the Board	07/05/2013	16/01/2016	16/01/2016
Qualification	B. Com	Engineer	B.com, LLB
Directorships held in other Companies	- Naitik Infrastructure Private Limited - SNB Corporation Private Limited	Nil	Nil
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	- Not Applicable	- The term of appointment of Independent Director shall be five years w.e.f 16 <sup>th</sup> January, 2021	- The term of appointment of Independent Director shall be five years w.e.f 16 <sup>th</sup> January, 2021
Number of Board Meetings attended during the year	4 (Four)	4 (Four)	4 (Four)
Memberships/ Chairmanships of committees of Board of Directors of Company	1 (one)	Nil	3 (Three)
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he is director	Nil	Nil	Nil
Number of shares held in the Company	4,13,333 Equity shares	Nil	Nil
Expertise in Specific functional areas	Administrative, Human Resource,	Engineering, Production and other	Legal and Professional matters
Disclosure of relationship between directors inter-se	N.A.	N.A.	N.A.

**Registered Office:**

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

**Date: 12<sup>th</sup> November, 2020**

**CIN:L28112GJ2013PLC074916**

**By Order of the Board**

sd/-

**Saurabhkumar R. Patel**

(DIN: 06964670)

**Chairperson and Managing Director**

**INSTRUCTIONS FOR E-VOTING:**

The instructions for members for voting electronically are as under:-

- (i) The Remote E-voting period begins on 28<sup>th</sup> December, 2020 (Monday) at 9.00 a.m. (IST) and ends on 30<sup>th</sup> December, 2020 (Wednesday) at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24<sup>th</sup> December, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting after 5.00 p.m. (IST) on 30<sup>th</sup> December, 2020.
- (ii) The shareholders should log on to the e-voting website: [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with Company
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Client ID /Folio number in the PAN field.  - In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN (for **UMIYA TUBES LIMITED**) on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolutions Details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobile users. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.



- A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person who acquires the shares of the Company and becomes the Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 24<sup>th</sup> December, 2020 may obtain the login Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting, then person becoming member can use their existing user ID and password for casting their vote.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) The Company shall be making arrangements for the members to cast their votes in respect to the businesses through poll/ ballot, for members attending the meeting who have not cast their vote by remote voting.
- (xxiii) The Company has appointed Mr. Manoj Hurkat, a Practicing Company Secretary, Ahmedabad as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxiv) The scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in presence of at least two witnesses not in employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes casted in favour or against, if any, to the Chairperson or a person authorized by him in writing who shall countersign the same and Chairperson shall declare the results of voting forthwith, which shall not be later than 5:00 p.m., 2<sup>nd</sup> January, 2021.
- (xxv) The result declared, along with the Scrutinizer’s Report shall be placed on the Company’s website: [www.umiyatubes.com](http://www.umiyatubes.com) and on the website of CDSL after the result is declared by the Chairperson and also be communicated to the Stock Exchanges where the equity shares of the Company are listed.

#### **INSTRUCTIONS FOR E-VOTING DURING AGM:**

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
- (iii) If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- (iv) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### **INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM:**

- (i) Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholder’s/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- (ii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id i.e. [info@umiyatubes.com](mailto:info@umiyatubes.com).
- (vi) Shareholders who would like to express their views/have questions may send their questions in advance 7 days prior to meeting mentioning their name demat account number/folio number, email id, mobile number at company email id i.e. [info@umiyatubes.com](mailto:info@umiyatubes.com). The same will be replied by the company suitably.

Those shareholders who have registered themselves as speaker will only be allowed to express their views/ask questions during AGM.

## DIRECTORS' REPORT

To  
The Members  
**UMIYA TUBES LIMITED**

Your Directors take pleasure in presenting the **SEVENTH** Annual Report of the Company together with the Audited Accounts for the financial year ended on 31<sup>st</sup> March, 2020.

### FINANCIAL SUMMARY/HIGHLIGHTS:

The brief financial results are as under:

Particulars	2019-20	2018-19
Gross Income	760.87	1543.52
Profit/(Loss) before Depreciation and Tax	58.68	43.14
Less: Depreciation	35.36	38.58
Profit/(Loss) Before Tax and Extra Ordinary Items	23.32	4.56
Less: Extra Ordinary Items	-	-
Less: Current Tax	1.76	0.88
Deferred Tax	4.13	(6.96)
Add/Less: MAT credit Entitlement	(0.12)	(0.88)
Profit/(Loss) After Tax	17.56	11.52

(Rs. in Lakhs)

The turnover of the Company for the year 2019-20 has decreased to Rs. 760.87 Lakhs from Rs. 1543.52 Lakhs. However, the profit before Depreciation and Tax increased to Rs. 58.68 Lakhs as compared to profit of Rs. 43.14 in the last year.

The impact of COVID-19 pandemic started worldwide from the month of December, 2019 and had severe impact on the business globally. This resulted in the slowdown of activities of the Company. It must be noted that the COVID-19 is an unprecedented phenomenon faced by all and as the pandemic has not been eradicated completely, the situation is very uncertain and has not completely stabilized. If the impact of COVID 19 get stabilized and/or subsided, the same may be expected to result into normal business activities in the next couple of quarters.

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

The Company does not have any Subsidiary Companies 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.

### 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 recommend 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, 2020 was Rs. 10,00,66,670/- divided into 1,00,06,667 Equity shares of Rs. 10/- each.

### DIRECTORS & KEY MANAGERIAL PERSONNEL:

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.

Mrs. Shobhanaben B. Dave (DIN: 08768365) was appointed as an Independent Director of the Company for a period of five years w.e.f. 29<sup>th</sup> June, 2020. Mr. Yash Joshi (DIN: 08436257) was appointed as Director of the Company w.e.f. 29<sup>th</sup> June, 2020.

During the year Mrs. Beena P. Vaghela has resigned as Director and Mr. Vikram G. Patel has resigned as an Independent Director of the Company w.e.f 9<sup>th</sup> October, 2019. Moreover, Mr. Rikenkumar B. Patel has also resigned as CFO of the Company w.e.f 9<sup>th</sup> October, 2019. In the interim period, Mr. Bharat Patel held charge of CFO also. Mr. Yash Joshi was appointed as CFO of the Company w.e.f 29<sup>th</sup> June, 2020.

Mr. Rajesh K. Dave had resigned as Independent Director of the Company w.e.f 29<sup>th</sup> June, 2020. Moreover, Mr. Bharatkumar P. Patel also resigned as Whole Time Director of the Company w.e.f 29<sup>th</sup> June, 2020.

**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 Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its 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 4 (Four) times during the year on 4<sup>th</sup> May, 2019, 11<sup>th</sup> July, 2019, 9<sup>th</sup> October, 2019 and 13<sup>th</sup> January, 2020.

**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 meet the criteria of Independence laid down in section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is in the opinion that the Independent Directors fulfils the criteria of Independence and are Independent from the management of the Company. After evaluating performance of Mr. Miteshkumar G. Patel (DIN: 07397651) and Mr. Atul J. Popat (DIN: 07323826) and other documents, declarations etc., the Board recommends re-appointment as Independent Directors for second term of five consecutive years.

**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. P. Singhvi & Associates, Chartered Accountants, the existing auditors of the Company were appointed as auditors of the Company at the 3<sup>rd</sup> AGM for holding the office from the conclusion of that 3<sup>rd</sup> AGM till the conclusion of the 8<sup>th</sup> AGM. At the same AGM, any one of the Directors of the Company was authorized to fix the remuneration of the Statutory auditors.

In view of the Companies (Amendment) Act, 2017, the first proviso in sub-section (1) in section 139 of the Companies Act, 2013 has been omitted with effect from 7<sup>th</sup> May, 2018. In view of this, the said appointment of auditor is no longer required to be ratified by the members at every annual general meeting.

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

**COST AUDITORS AND COST AUDIT REPORT:**

Pursuant to Section 148 of the Companies Act, 2013, the maintenance of Cost records has not been specified to the Company. Hence disclosure regarding the same is not given.

**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 consists of the following Directors:

1. Mr. Atul J Popat Chairman
2. Mr. Surendrasinh P Vaghela Member
3. Mr. Shobhanaben B. Dave Member

**NOMINATION & REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee consists of the following Directors:

1. Mr. Atul J Popat Chairman
2. Mr. Mitesh G. Patel Member
3. Mrs. Shobhanaben B. Dave Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee consists of the following Directors:

1. Mr. Atul J Popat Chairman
2. Mr. Saurabhkumar R Patel Member
3. Mrs. Shobhanaben B. Dave Member

**RISK MANAGEMENT POLICY/PLAN:**

It may please be noted that as per the applicable requirement of 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 are posted on the website of the Company.

**CODE OF BUSINESS CONDUCT AND ETHICS:**

The Company has laid down a Code of Conduct (COC) which is applicable to all the Board members and Senior Management of the Company. The COC is available on the website of the Company [www.sanginitachemicals.co.in](http://www.sanginitachemicals.co.in). All the members of the Board and Senior Management have affirmed compliance with the Code.

**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. The Company has complied with the applicable provisions of the Act including the constitution of internal complaints committee.

**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 shareholders may refer the Company's website for the detailed Nomination & Remuneration Policy of the Company on the appointment and remuneration of Directors including criteria for determining qualifications, positive attributes, independence of a Director; and other matters provided under sub-section (3) of section 178.

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.

**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 Companies (appointment and Remuneration of managerial personnel) Rules, 2014 are given as follows:

Names and Positions	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase/(decrease) in Remuneration
Mr. Surendrasinh P Vaghela (Managing Director)	1.56	N.A.*
Mr. Bharatkumar P Patel (Whole Time Director)	7.82	N.A.*
Mr. Saurabhkumar R Patel (Managing Director)	7.82	N.A.*
Mr. Rajesh K Dave (Independent Director)	Nil	N.A.
Mr. Mitesh G Patel (Independent Director)	Nil	N.A.
Mr. Atul J Popat (Independent Director)	Nil	N.A.

\* Last year, there was decrease in the remuneration paid to the Directors of the Company.

Note: The median remuneration of employees of the Company during the year was Rs. 57571/- p.a.

[C] Percentage increase/-decrease in the median Remuneration of Employees	(21.04)
[D] Number of permanent Employees on the rolls of Company	13 (Thirteen)
[E] 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	There was decrease of 35.99% in average salaries of employees other than NEDs and KMPs made in the year 2019-20. There was also decrease of 41.76%% in the Managerial Remuneration in the year 2019-20 as compared to the year 2018-19.

#### PARTICULARS OF EMPLOYEES:

The statement showing the names of the top ten employees in terms of remuneration drawn is given as "Annexure 2."

There are no employees of the Company 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.

#### DETAILS OF THE REMUNERATION TO MD/WTD (AS PER CLAUSE-IV OF SECTION-II OF PART-II OF SCHEDULE V):

- (i) all elements of the remuneration package such as salary, benefits, bonuses, stock options and pension:  
The details are given in clause- VI (A) of MGT-9 attached to this report as **Annexure 3**.
- (ii) details of fixed component and performance-linked incentives, along with the performance criteria:  
The details are given in clause- VI(A) of MGT-9 attached to this report as **Annexure 3** and performance criteria is linked with net profit of the Company.
- (iii) service contracts, notice period and severance fees:  
Term valid till 3 years from the date of appointment/re-appointment. And no notice period was mentioned no severance fees.
- (iv) stock option details, if any, and whether these have been issued at a discount, as well as the period over which they accrued and how they are exercisable:  
The Company has not granted any stock option.

#### 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	<p>a. The Company uses LED lamps and fans in the whole factory premises including offices at factory and street light in factory which save approx. 30-40% electricity as compared to normal lamps.</p> <p>b. The Company uses AC Drives for almost all Tube mills and it also saves around 30-40% of electricity as compared to DC Drives.</p> <p>c. The Company have installed 6 Voltage Protection device (VPD) for purpose stable voltage for main panel of individual tube mill.</p> <p>d. The Company have installed power factor penal for maintained good power factor ratio.</p> <p>e. The Company tried different composition of gases which ultimately found good quality and competitive cost of welding.</p> <p>f. The Company also started polishing work with low RPM electric motors which reduced consumption of energy and polishing material to a huge extent.</p>
(ii)	the steps taken by the company for utilizing alternate sources of energy	N.A.
(iii)	the capital investment on energy conservation equipments	NIL
<b>(B) Technology absorption</b>		
(i)	the efforts made towards technology absorption	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
(iii)	<p>in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)</p> <p>(a) the details of technology imported;</p> <p>(b) the year of import;</p> <p>(c) whether the technology been fully absorbed;</p> <p>(d) if not fully absorbed, are as where absorption has not taken place, and the reasons thereof;</p>	<p>As the Company has not imported any technology, there are no details required to be given in any of the sub clauses under this clause. The Company have invented embossing machine which is used for embossing Company name on each product.</p> <p>As the company is new and at infant stage, it does not have separate R&amp;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 benefits narrated above are the results of our R&amp;D work only.</p>
(iv)	the expenditure incurred on Research & Development	Nil
<b>(C) Foreign exchange earnings and Outgo</b>		
	The Foreign Exchange earned in terms of actual inflows during the year and	Inspite of attempts of marketing abroad, no inflow took place but the Company is still pursuing export opportunities.
	The Foreign Exchange outgo during the year in terms of actual outflows	NIL

**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.

Details of money accepted (if any during the year) by the Company from the Directors and/or the relatives of Directors of the Company are given in the notes to the Financial Statements and the same are not deposit as per the applicable provisions of Companies Act, 2013 and rules made thereunder.



**CORPORATE GOVERNANCE:**

The Corporate Governance Report forms an integral part of this Report and annexed hereto as “**Annexure 4**”, together with the Certificate from the Practicing Company Secretary regarding compliance with the requirements of Corporate Governance as stipulated in Part C of Schedule V to the SEBI (Listing Obligations & Disclosure Requirement) Regulations 2015.

**EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT- 9 is annexed herewith as “**Annexure 3**”. The Annual return is also being uploaded on the website of the Company.

**COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS:**

The Company has complied with applicable Secretarial Standards during the year under review.

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

The investments made by the Company during the year under section 186 of the Companies Act, 2013 are already reported in the financial statements. The same may be treated as sufficient disclosure for the purpose of this Directors report. There are no Loans, 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. 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. The related party transactions are due to business exigencies.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis Report, pursuant to Regulation 34(2)(e) of The SEBI (LODR) Regulations, 2015 is appended as “**Annexure 5**” to Director’s Report.

**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.

By Order of the Board

sd/-

Saurabhkumar R. Patel  
(DIN:06964670)

Chairperson and Managing Director

Place : Gandhinagar  
Date : 29<sup>th</sup> June, 2020

**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**  
(CIN: L28112GJ2013PLC074916)  
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 my 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, 2020 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, minute books, forms, returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - 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 (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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 subject to the following observations:

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except for having Woman Director on the Board of Directors of the Company as required

by Regulation 17 (1)(a) of the SEBI (LODR) Regulations, 2015 and Section 149(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment of Directors) Rules, 2014 upon resignation of Mrs. Beena P. Vaghela as Director of the Company with effect from 9<sup>th</sup> October, 2019. The Company has appointed Smt. Shobhanaben B. Dave as an Independent Woman Director w.e.f. 29<sup>th</sup> June, 2020. The Company has informed that the process for appointing another woman director got delayed due to ongoing COVID-19 situations.

VI. There are no other laws applicable specifically to the Company in respect of the business/activities carried out by the Company which are required to be reported under this clause.

We further report that:

- a) The Board of the Company is duly constituted (subject to the observation *supra*) with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors took place during the period under review.
- 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, no events/actions has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For,**  
**MANOJ HURKAT AND ASSOCIATES**  
Practicing Company Secretaries  
FRN: P2011GJ025800

**Place : Ahmedabad**  
**Date : 29<sup>th</sup> June, 2020**

Sd/-  
**MANOJ R HURKAT**  
Partner  
FCS No. 4287  
C P No.: 2574  
UDIN: F004287B000369124

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.

To,  
The Members of  
**UMIYA TUBES LIMITED**  
(CIN: L28112GJ2013PLC074916)  
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  
FRN: P2011GJ025800

Sd/-  
**MANOJ R HURKAT**  
Partner  
FCS No. 4287  
C P No.: 2574  
UDIN: F004287B000369124

**Place : Ahmedabad**  
**Date : 29<sup>th</sup> June, 2020**

## Statement showing the names of the top ten employees in terms of remuneration drawn:

Name	Designation / Nature of duties	Nature of employment, whether contractual or otherwise	Relation with Director or Manager of Company p.a.	Remuneration (In Rs.)	Qualification	Experience (Years)	Date of joining	Age (Years)	Last Employment before	% of Equity shares held
1	2	3	4	5	6	7	8	9	10	11
Bharatkumar Parsotamdas Patel	Whole time Director	Otherwise	Uncle of Saurabh kumar R Patel (Managing Director)	450000	12 <sup>th</sup> Pass (HSC)	14	7/5/2013	53	NIL	13.44%
Saurabhkumar R Patel	Managing Director (Whole time Director)	Otherwise	Nephew of Bharatkumar P Patel (Whole time Director)	450000	B.Tech in E.C.E.	8	7/5/2013	30	Swarg system & Instrument, gandhinagar	3.89%
Ritendrasinh Kishorsinh Rathod	Company Secretary	Otherwise	N.A.	156000	B.B.A & L. L B & CS	6	1/4/2016	32	Euro Circuit system	NIL
Jagdishbhai Jethabhai Patel	Electrician	Otherwise	N.A.	108563	10 Pass	8	1/4/2016	53	Universal-Harshol	NIL
Nathabhai Somabhai Patel	Foreman	Maintenance	N.A.	97037	9 Pass	36	20/10/2015	60	Ratnamani Tubes & pipes	NIL
Surendrasinh Pravinsinh Vaghela	Managing Director	Otherwise	N.A.	90000	B. Com	9	7/5/2013	33	NIL	4.13%
Om Prakash Shinh	Operator	Otherwise	N.A.	70,143	MA	18	10/01/16	58	Business	NIL
Rameshji Chaturji Solanki	Security	Otherwise	N.A.	57643	12 <sup>th</sup> Pass	10	02/01/16	36	C.S.S. Gandhinagar	NIL
Kalpeshbhai Baldevbhai Patel	Operator	Otherwise	N.A.	57500	10 <sup>th</sup> Pass	9	08/01/14	29	Sterling Talod	NIL
Bhaveshbhai Sankabhai Rabari	Supervisor	Otherwise	N.A.	57382	11 <sup>th</sup> Pass	12	08/01/14	34	Laxmi Plywood	NIL

**FORM No. MGT-9**
**EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2020**

[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	5676751	-	5676751	56.73%	4689112	-	4689112	46.86%	-9.87%
b Central Govt	-	-	-	-	-	-	-	-	-
c State Govt(s)	-	-	-	-	-	-	-	-	-
d Bodies Corporate	555556	-	555556	5.55%	482556	-	482556	4.82%	-0.73%
e Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>6232307</b>	<b>-</b>	<b>6232307</b>	<b>62.28%</b>	<b>5171668</b>	<b>-</b>	<b>5171668</b>	<b>51.68%</b>	<b>-10.60%</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>6232307</b>	-	<b>6232307</b>	<b>62.28%</b>	<b>5171668</b>	-	<b>5171668</b>	<b>51.68%</b>	<b>-10.60%</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. 2 lakh	1218880	-	1218880	12.18%	1306883	-	1306883	13.06%	0.88%
ii) Individual Shareholder holding nominal share capital in excess of Rs 2 lakh	1623178	-	1623178	16.22%	2387781	-	2387781	23.86%	7.64%
c Others (NRI & CM)	932302	-	932302	9.32%	1140335	-	1140335	11.40%	2.08%
<b>Sub-total (B)(2)</b>	<b>3774360</b>	-	<b>3774360</b>	<b>37.72%</b>	<b>4834999</b>	-	<b>4834999</b>	<b>48.32%</b>	<b>10.60%</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>3774360</b>	-	<b>3774360</b>	<b>37.72%</b>	<b>4834999</b>	-	<b>4834999</b>	<b>48.32%</b>	<b>10.60%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>10006667</b>	-	<b>10006667</b>	<b>100%</b>	<b>10006667</b>	-	<b>10006667</b>	<b>100%</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	7,34,756	7.34%	Nil	7,34,756	7.34%	Nil	-
2.	Bharatkumar P Patel	17,58,148	17.57%	Nil	13,44,655	13.44%	Nil	-4.13%
3.	Surendrasinh P Vaghela	4,13,333	4.13%	Nil	4,13,333	4.13%	Nil	-
4.	Saurabhkumar R Patel	4,66,666	4.66%	Nil	3,89,166	3.89%	Nil	-0.77%
	<b>Total</b>	<b>33,72,903</b>	<b>33.70%</b>	<b>Nil</b>	<b>28,81,910</b>	<b>28.80%</b>	<b>Nil</b>	<b>-4.90%</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, 2019		Shareholding at the beginning of the year i.e. 31 <sup>st</sup> March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Beena P Vaghela</b>				
	At the beginning of the year	7,34,756	7.34%	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	7,34,756	7.34%
2.	<b>Bharatkumar P Patel</b>				
	At the beginning of the year	17,58,148	17.57%	-	-
	Decrease in shareholding due to sale of 413493 in open market on various dates during the year	4,13,493	4.13%	-	-
	At the End of the year	-	-	13,44,655	13.44%
3.	<b>Surendrasinh P Vaghela</b>				
	At the beginning of the year	4,13,333	4.13%	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	4,13,333	4.13%
4.	<b>Saurabhkumar R Patel</b>				
	At the beginning of the year	4,66,666	4.66%	-	-
	Decrease in shareholding due to sale of 77500 in open market on various dates during the year	77,500	0.77%	-	-
	At the End of the year	-	-	3,89,166	3.89%

## (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, 2019		Cumulative Shareholding during the year i.e. 31 <sup>st</sup> March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Satishkumar Keshavlal Shah	171480	1.71%	413284	4.13%
2	Prolife Industries Limited	136666	1.37%	136666	1.37%
3	Chetnaben Satishkumar Shah	163695	1.64%	126952	1.26%
4	RCSPL Multicommodities Private limited	-	-	124450	1.24%
5	RCSPL Share Broking Private Limited	289736	2.9%	120360	1.20%
6	Ankit Satishkumar Shah	131896	1.32%	91849	0.92%
7	Prolife Biochemical Industries	67066	0.67%	81866	0.82%
8	Heena Mukesh Mehta	78333	0.78%	78333	0.78%
9	Amalya Chemex Private Limited	68333	0.68%	68333	0.68%
10	Sangitaben J Jayswal	45833	0.15%	45833	0.46%
11	Savjibhai Manjibhai Menpara	106000	1.06%	-	-
12	Monarch Networth Capital Limited	52802	0.53%	477	0.0004%
13	Sureshbhai Jogia	33333	0.33%	-	-
14	Beeline Broking Limited	23356	0.23%	-	-

**Note:** Change in the shareholding may be due to market transactions (purchase / sale in shares) made by 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 i.e. 1 <sup>st</sup> April, 2019		Cumulative Shareholding during the year i.e. 31 <sup>st</sup> March, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Surendrasinh P Vaghela (Managing Director)	4,13,333	4.13%	4,13,333	4.13%
2.	Mr. Bharatkumar P Patel (Whole Time Director)	17,58,148	17.57%	13,44,655	13.44%
3.	Mr. Saurabhkumar R Patel (Managing Director)	4,66,666	4.66%	3,89,166	3.89%
4.	Mr. Rajesh K Dave (Independent Director)	Nil	Nil	Nil	Nil
5.	Mr. Mitesh G Patel (Independent Director)	Nil	Nil	Nil	Nil
6.	Mr. Atul J Popat (Independent Director)	Nil	Nil	Nil	Nil
7.	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 (In Rs.)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,69,78,319.99	54,63,365.25	-	3,24,41,684.24
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,69,78,319.99</b>	<b>54,63,365.25</b>	<b>Nil</b>	<b>3,24,41,684.24</b>
<b>Change in Indebtedness during the financial year</b>				
· Addition	-	75,42,562.66	-	75,42,562.66
· Reduction	(69,73,993.58)	(11,85,416)	Nil	(81,59,409.58)
<b>Net Change</b>	<b>(69,73,993.58)</b>	<b>63,57,146.66</b>	<b>Nil</b>	<b>6,16,846.92</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,00,04,325.41	1,18,20,511.91	Nil	3,18,24,837.32
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>	<b>2,00,04,325.41</b>	<b>1,18,20,511.91</b>	<b>Nil</b>	<b>3,18,24,837.32</b>

**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 Rs.)(p.a.)
		Mr. Surendrasinh P Vaghela (MD)	Mr. Bharatkumar R Patel (WTD)	Mr. Saurabhkumar R Patel (MD)	
1.	<b>Gross salary</b>				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	90,000	4,50,000	4,50,000	9,90,000
(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 (Bonus)</b>	Nil	Nil	Nil	Nil
	<b>Total (A)</b>	<b>90,000</b>	<b>4,50,000</b>	<b>4,50,000</b>	<b>9,90,000</b>

**B. REMUNERATION TO OTHER DIRECTORS:**

Sr. No.	Particulars of Remuneration	Name of Director	Total Amount (in Rs.)(p.a.)
1.	<b>Gross salary</b>		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	<b>Stock Option</b>	-	-
3.	<b>Sweat Equity</b>	-	-
4.	<b>Commission</b>		
	- as % of profit	-	-
	- Others, specify...	-	-
5.	<b>Others (Bonus)</b>	-	-
	<b>Total (A)</b>	-	-

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

Sr. No.	Particulars of Remuneration	Company Secretary	Total (in Rs.)
1.	<b>Gross salary</b>		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,56,000	1,56,000
(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>	<b>1,56,000</b>	<b>1,56,000</b>

**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					

**Registered Office:**  
 208, 2<sup>nd</sup> Floor, Suman Tower, Sector-11,  
 Gandhinagar - 382011 (Gujarat)  
**Date: 29<sup>th</sup> June, 2020**  
**CIN:L28112GJ2013PLC074916**

**By Order of the Board**  
 sd/-  
**Saurabhkumar R. Patel**  
 (DIN: 06964670)  
 Chairperson and Managing Director

**CORPORATE GOVERNANCE REPORT**
**1. Company's Philosophy on Corporate Governance**

Umiya Tubes Limited ("Umiya") is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company's Governance process include independence, integrity, accountability, transparency, responsibility and fairness. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedication to increase long-term stakeholders value.

**2. Board of Directors**
**A. Composition of the Board:**

As per the requirement of SEBI (LODR) Regulations, 2015, the Structure of Board of the Company maintains an optimum combination of Executive, Non-Executive Directors and Independent Directors. The Composition of the Board is in conformity with the Listing requirements. The detailed composition of the Board of Directors as on 31<sup>st</sup> March, 2020, their category and their Directorship in the companies and Membership/Chairmanship in the Committees of the Board are given below:

Sr. No.	Name of the Director	Position/Category++	* Number of Directorship as on 31.03.2020 including Umiya	** Number of Membership/ Chairmanship in Board Committee as on 31.03.2020 including Umiya	
				Membership+	Chairmanship
1	Mr. Saurabhkumar R Patel	Chairperson Managing Director	1	1	-
2	Mr. Surendrasinh P Vaghela	Managing Director	3	1	-
3	Mr. Bharatkumar P Patel	Whole Time Director	1	-	-
4	Mr. Rajesh K Dave	Independent Director	1	2	2
5	Mr. Mitesh G Patel	Independent Director	1	-	-
6	Mr. Atul J Popat	Independent Director	1	2	-

+ Membership excludes Chairmanship.

\*Excluding Directorship held in Foreign Companies.

\*\* Indicates Membership/Chairmanship in the Audit Committee and Stakeholders Relationship Committee (excluding Private Limited Companies, Foreign Companies and Section 8 Companies).

++ Mr. Bharatkumar P Patel and Mr. Saurabhkumar R Patel as uncle and nephew. Barring this none of the Directors are related interse.

\*\*\* None of the Directors of the Company are Directors in any of the Listed Company.

\*\*\*\* Mr. Rajesh K Dave resigned as Independent Director and Mr. Bharatkumar R. Patel resigned as Whole Time Director of the Company w.e.f 29<sup>th</sup> June, 2020. Further Mrs. Shobhanaben B. Dave appointed as Additional Independent Director and Mr. Yash Joshi was appointed as Additional Director of the Company w.e.f 29<sup>th</sup> June, 2020.

The Board of Directors have identified the below mentioned skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

1. Knowledge of legal, including taxation, IT, marketing, etc.
  1. Saurabhkumar R. Patel
  2. Surendrasinh P. Vaghela
  3. Rajesh K. Dave
  4. Mitesh G. Patel
  5. Atul J Popat
2. Knowledge of accounts and finance (ability to read and understand financial statement),
  1. Saurabhkumar R. Patel
  2. Surendrasinh P. Vaghela
  3. Bharatkumar P. Patel
  4. Rajesh K. Dave
  5. Mitesh G. Patel
  6. Atul J Popat
3. Knowledge of Steel business
  1. Saurabhkumar R. Patel
  2. Surendrasinh P. Vaghela
  3. Bharatkumar P. Patel
4. Knowledge of HR, general administration and management
  1. Saurabhkumar R. Patel
  2. Surendrasinh P. Vaghela
  3. Bharatkumar P. Patel
  4. Rajesh K. Dave
  5. Mitesh G. Patel
  6. Atul J Popat

The above skills / expertise / competencies identified by the Company are also actually available with the Board.



**B. Board Meetings held during the year 2019 – 20:**

The Board of Directors meets at regular intervals to discuss and decide on various issues including strategy related matters pertaining to the business/ company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation in the Meetings of the Company. Apart from this, the Meetings of the Board are also convened or the approval of the Board is obtained through circulation of resolution to all the Directors in case some urgent/special situation arises. Such circular resolution is also confirmed in the next Board Meeting. Further when it is not possible to attend meeting physically, the Directors may use video conferencing facility to enable their participation. Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively.

During the year 2019 - 2020, the Board met 4 (Four) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	4 <sup>th</sup> May, 2019
2	11 <sup>th</sup> July, 2019
3	9 <sup>th</sup> October, 2019
4	13 <sup>th</sup> January, 2020

**C. Attendance of Directors at the Board Meeting during the year 2019-20 and at last AGM was as follows:**

Sr. No.	Name of the Director	Number of Board Meetings held during their tenure as Director	Number of Board Meetings attended	Attendance at last AGM held on 28 <sup>th</sup> September, 2019
1	Mr. Saurabhkumar R Patel	4	4	Yes
2	Mr. Surendrasinh P Vaghela	4	4	Yes
3	Mr. Bharatkumar P Patel	4	4	Yes
4	Mr. Rajesh K Dave	4	4	Yes
5	Mr. Mitesh G Patel	4	4	Yes
6	Mr. Atul J Popat	4	4	Yes

**3. Audit Committee:**

The composition of the Audit Committee as on 31<sup>st</sup> March, 2020 is as follows:

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

Note: w.e.f. 29<sup>th</sup> June, 2020, Ms. Shobhanaben Dave was appointed as member of the Committee in place of Mr. Rajesh K. Dave.

Mr. Ritendrasinh K Rathod, Company Secretary acts as a Secretary to the Audit Committee.

*Note:*

At least two third members of the Audit Committee are Independent Directors including the Chairman of the Audit Committee being an Independent Director and having financial and accounting knowledge.

The role, term of reference, authority and powers of the Audit Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company.

During the year 2019 - 2020, the Audit Committee met 4 (Four) times. Details of these Meetings are as follows:

Sr. No.	Date of Meeting
1	4 <sup>th</sup> May, 2019
2	11 <sup>th</sup> July, 2019
3	9 <sup>th</sup> October, 2019
4	13 <sup>th</sup> January, 2020

The attendance of the Members at the Audit Committee Meetings during the year 2019 - 2020 was as follows:

Sr No.	Name of the Audit Committee Members	Number of Audit Committee Meetings held while holding the office	Number of Audit Committee Meetings attended
1	Mr. Rajesh K Dave	4	4
2	Mr. Atul J Popat	4	4
3	Mr. Surendrasinh P Vaghela	4	4

The Chairman of the Audit Committee remained present at the Annual General Meeting of the Company held on 28<sup>th</sup> September, 2019 to answer shareholders queries.

**4. Nomination and Remuneration Committee**

The composition of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2020 is as follows:

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

Note: w.e.f. 29<sup>th</sup> June, 2020, Ms. Shobhanaben Dave was appointed as member of the Committee in place of Mr. Rajesh K. Dave.

The role, term of reference, authority and powers of Nomination and Remuneration Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 as applicable to the Company.

During the year 2019 - 2020, the Nomination and Remuneration Committee met once on 9<sup>th</sup> October, 2019. All three members of the Nomination and Remuneration Committee attended the Meeting.

The details on performance evaluation criteria for Directors including Independent Directors are already provided under the head "Board Evaluation" in the Director's Report.

**5. Remuneration/Sitting Fees to Directors**
**i) Remuneration to Directors:**

During the Financial Year 2019 - 20, the Company has paid remuneration of Rs. 9.90 Lakhs to Executive Directors of the Company pursuant to approval of Members at the Extra Ordinary General Meeting held on 16<sup>th</sup> January, 2016 for payment of remuneration.

**ii) Sitting Fees to Directors:**

The Board of Directors are not paying any amount of Sitting Fees to the Directors for attending the meetings of Board and Committee.

**iii) Terms of appointment of Managing Director:**

Mr. Surendrasinh Vaghela has been appointed as Managing Director of the Company w.e.f. 1<sup>st</sup> January, 2019 and Mr. Saurabhkumar R Patel has been appointed as Managing Director w.e.f. 1<sup>st</sup> September, 2018.

None of the non-executive Director holds any shares in the Company.

**6. Stakeholders Relationship Committee:**

The composition of the Stakeholders Relationship Committee as on 31<sup>st</sup> March, 2020 is as follows:-

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

Note: w.e.f. 29<sup>th</sup> June, 2020, Ms. Shobhanaben Dave was appointed as member of the Committee in place of Mr. Rajesh K. Dave.

During the year 2019 – 2020, the Stakeholders Relationship Committee met twice on 11<sup>th</sup> July, 2019 and 13<sup>th</sup> January, 2020. All three members of the Committee were present in both the meetings.

The status of shareholders complaint as on 31<sup>st</sup> March, 2020 is as follows:-

Particulars	Opening as on 01.04.2019	Received* during the year	Disposed during the year	Balance as on 31.03.2020
No. of complaints	NIL	NIL	NIL	NIL

Mr. Ritendrasinh K Rathod, Company Secretary acts as Compliance Officer of the Company.

**8. General Body Meetings**
**A. Schedule of the last three Annual General Meetings of the Company is presented below:**

Year	Date & Time of AGM	Venue	Special Resolutions passed
2018-19	28 <sup>th</sup> September, 2019 12.30 P.M.	208, 2 <sup>nd</sup> Floor, Suman Tower, Sector – 11, Gandhinagar - 382011	1. Re-appointment of Mr. Surendrasinh P Vaghela (DIN: 06415080) as Managing Director for 3 years w.e.f. 1 <sup>st</sup> January, 2019 2. Re-appointment of Mr. Bharatkumar R. Patel (DIN: 06562786) as Whole Time Director for 3 years w.e.f. 1 <sup>st</sup> January, 2019
2017 - 18	28 <sup>th</sup> September, 2018 12.30 P.M.	208, 2 <sup>nd</sup> Floor, Suman Tower, Sector – 11, Gandhinagar - 382011	1. Payment of Remuneration to Executive Directors in excess of limits under SEBI (LODR). 2. Authority under Section 185 of the Companies Act, 2013
2016-17	28 <sup>th</sup> September, 2017 2.00 p.m.	208, 2 <sup>nd</sup> Floor, Suman Tower, Sector – 11, Gandhinagar – 382011	No

**B. Postal Ballot:**

Whether the Special Resolution was put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No Postal Ballot was conducted

Whether Special Resolution are proposed to be conducted through postal ballot: No

Procedure of Postal Ballot: Not Applicable.

**9. Disclosures**

There are certain transactions with related parties which have been disclosed at the relevant place in the Notes to the Annual Accounts. No such related party transactions may have potential conflict with the interests of the Company at large.

There is no non-compliance on any capital market related matter since the listing of Company's security on Stock Exchanges. Further, no penalty has been imposed either by SEBI or Stock Exchanges or any Statutory Authority on any capital market related matter during the last three years.

**10. Means of Communication**

The Financial Results of the Company are normally published in one National newspaper in English in Free Press Gujarat and one Regional newspaper in Lokmitra (Gujarati language). These results can also be viewed from the Company's website [www.umiyatubes.com](http://www.umiyatubes.com). Further, the Financial Results and other required filings of the Company can also be viewed on the website of The BSE Limited ([www.bseindia.com](http://www.bseindia.com)).

**11. Code of Conduct****Code of Conduct for Directors and Senior Management:**

The Board of Directors of the Company has adopted a Code of Conduct and made it applicable to the Board Members and Senior Management of the Company. The same has also been posted on the website of the Company.

The Board and Senior Management of the Company have affirmed compliance with the Code. The declaration by MD & CFO to this effect has been made elsewhere in this Annual Report.

**Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders:**

Pursuant to the requirements of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Company Secretary acts as the Compliance Officer. This Code of Conduct is applicable to the Designated Person(s), employees and the Immediate Relative(s) of such Designated Persons and employees of the Company who can have access to Unpublished Price Sensitive Information relating to the Company.

**12. Ethical Behavior and Vigil Mechanism**

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has an Ethical Behaviour and Vigil Mechanism for Directors and employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Code of Conduct of the Company. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Management affirms that no employee of the Company was denied access to the Audit Committee.

**13. Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions**

As required under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Related Party Transactions Policy. The Policy is available on the website of the Company [www.umiyatubes.com](http://www.umiyatubes.com).

**14. Appointment of Independent Directors**

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the applicable Corporate Governance requirements. The terms and conditions of appointment have also been disclosed on the website of the Company. The Board of Directors confirms that all the Independent Directors of the Company fulfills the criteria of Independence as per requirements.

**15. Familiarization Programme for Independent Directors**

Pursuant to provisions of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Familiarization Programme for Independent Directors. The Programme aims to familiarize Independent Directors with activities of the Company so as to enable them to make effective contribution and to assist them in discharging their functions as a Board Member. The Company's Policy on Familiarization Programme for Independent Directors has been disclosed on the website of the Company [www.umiyatubes.com](http://www.umiyatubes.com).

**16. Credit Rating**

The Company has not obtained any credit rating during the year for any debt instruments or fixed deposit programme.

**17. Utilization of funds**

The Company has not raised any funds through preferential allotment or qualified institutional placement as specified in the Listing Regulations.

**18. Certificate from a Practicing Company Secretary**

The Company has obtained a certificate from Manoj Hurkat & Associates, Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

**19. Fees paid to the Statutory Auditors**

During the financial year 2019–2020, P Singhvi & Associates, the Statutory Auditors of the Company were paid fees for audit and providing other services as per below details:

Name of the Company	Fees paid		Total (in Rs.)
	For Statutory Audit	For providing other services	
Umiya Tubes Limited	1,50,000	-	1,50,000

**20. Disclosure of Sexual Harrasment of Women at Workplace:**

The Company has formed a Committee to look after the matters of Sexual Harassment of women in the Company. During the year, Committee has not received any complaint from any woman employee of the Company. The Company has complied with all the requirement and provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**21. General Shareholders Information**
**A. Schedule & Venue of the 7<sup>th</sup> Annual General Meeting of the Company:**

Date & Day : 31<sup>st</sup> December, 2020, Thursday

Time : 12.00 Noon

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

**B. Financial Year and Calendar:**

The Financial Year of the Company starts on 1<sup>st</sup> April and ends on 31<sup>st</sup> March every year.

Financial Calendar for 2020 - 2021 (Tentative Schedule) for adoption of quarterly results for:

Quarter ending 30 <sup>th</sup> June, 2020	Before 14 <sup>th</sup> August, 2020
Quarter ending 30 <sup>th</sup> September, 2020	Before 14 <sup>th</sup> November, 2020
Quarter ending 31 <sup>st</sup> December, 2020	Before 14 <sup>th</sup> February, 2021
Quarter & Year ending 31 <sup>st</sup> March, 2021 (Audited)	Before 30 <sup>th</sup> May, 2021

**C. Book Closure Date:**

Thursday, 24<sup>th</sup> December, 2020 to Thursday, 31<sup>st</sup> December, 2020 (both days inclusive)

**D. Listing on Stock Exchanges and Scrip Codes:**

Name and Address of Stock Exchanges	Scrip Code
1. Bombay Stock Exchange Limited (BSE)	539798

*Note: The necessary listing fees has already been paid to the Stock Exchanges.*

**F. Stock Market Data:**

Market Price Data in BSE is as follows:

Month	BSE Sensex		Company's Share price on BSE	
	High	Low	High	Low
April 2019	39487.45	38460.25	13.06	7.20
May 2019	40124.96	36956.10	12.42	7.60
June 2019	40312.07	38870.96	9.25	7.66
July 2019	40032.41	37128.26	10.20	7.85
August 2019	37807.55	36102.35	12.19	8.20
September 2019	39441.12	35987.80	11.40	9.22
October 2019	40392.22	37415.83	10.58	6.20
November 2019	41163.79	40014.23	10.38	7.60
December 2019	41809.96	40135.37	10.48	7.02
January 2020	42273.87	40476.55	10.70	6.40
February 2020	41709.30	38219.97	8.40	6.26
March 2020	39083.17	25638.90	7.60	5.89

**G. Registrar and Share Transfer Agent and Share Transfer System:**

The Company has appointed Purva Shareregistry (India) Private Limited as the Registrar and Share Transfer Agent of the Company for both Physical as well as Demat mode.

The Company has entrusted Purva Shareregistry (India) Private Limited with the responsibility of ensuring effective resolution and disposal of all kinds of investor grievances such as Demat, Remat, non-receipt of Dividend, etc.

Investors may contact our Registrar and Share Transfer Agent at the following address for their queries:-

M/s Purva Shareregistry (India) Private Limited

9, Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hospital, Lower Parel (East), Mumbai - 400011  
Tel: +91-22-23016761 Fax: +91-22-23012517 Email: busicomp@vsnl.com Website: www.purvashare.com

**H. Distribution of Shareholding:**

Distribution of shareholding as on 31<sup>st</sup> March, 2020 is given below:

Category (Amount of Share)	No. of Shareholders	% of No. of Shareholders	No. of Shares held	% of Shareholding
1-5000	394	51.04	51827	0.52
5001-10000	69	8.94	60805	0.61
10001-20000	75	9.72	122149	1.22
20001-30000	39	5.05	102631	1.03
30001-40000	36	4.66	122807	1.23
40001-50000	17	2.20	82604	0.83
50001-100000	40	5.18	290789	2.91
100001 & above	102	13.21	9173055	91.67
<b>Total</b>	<b>772</b>	<b>100.00</b>	<b>10006667</b>	<b>100.00</b>

**I. Dematerialization of Shares and its liquidity:**

10006667 Equity Shares representing 100% of the total Equity Shares of the Company are held in Dematerialized Form as on 31<sup>st</sup> March, 2020.

**J. Address for correspondence with the Company:**

The address for correspondence with the Company is given below:-

Umiya Tubes Limited

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

Ph.: +91-9033090050 Web-site: [www.umiyatubes.com](http://www.umiyatubes.com) Email: [info@umiyatubes.com](mailto:info@umiyatubes.com)

**L. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversions date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

**For and on behalf of the Board**

**Saurabhkumar R. Patel**

**(DIN:06964670)**

**Chairperson and Managing Director**

**Place : Gandhinagar**

**Date : 29<sup>th</sup> June, 2020**

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## ANNEXURE TO THE CORPORATE GOVERNANCE REPORT

To,  
The Shareholders,  
Affirmation of compliance of Code of Conduct

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board of Directors of the Company has received affirmation on compliance with the Code of Conduct from all the Directors and the Senior Management Personnel of the Company, as applicable to them, for the financial year ended on 31<sup>st</sup> March, 2020

**For, Umiya Tubes Limited**

**-sd**

**Saurabhkumar R. Patel**

**(DIN: 06964670)**

**Chairperson and Managing Director**

**Place: Gandhinagar**

**Date : 29th June, 2020**

**CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) read with Clause 10(i) of Part C OF Schedule V of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members of  
**UMIYA TUBES LIMITED**  
(CIN: L28112GJ2013PLC074916)  
208, 2<sup>nd</sup> Floor, Suman Tower, Sector - 11,  
Gandhinagar - 382011

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of UMIYA TUBES LIMITED ("Company") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") for the financial year ended 31<sup>st</sup> March, 2020.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company, our responsibility is to express an opinion on the same based on our verification.

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that for the financial year ended on 31<sup>st</sup> March, 2020, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or such other statutory Authority.

**For, MANOJ HURKAT AND ASSOCIATES**  
*Practicing Company Secretaries*  
FRN: P2011GJ025800

**Place: Ahmedabad**  
**Date : 29<sup>th</sup> June, 2020**

**MANOJ R HURKAT**  
*Partner*  
FCS No.: 4287, COP No.: 2574  
UDIN:F004287B000369168



## MANAGEMENT DISCUSSION AND ANALYSIS

This section contains certain forward-looking statements which are based on 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 3600 MTPA as on 31<sup>st</sup> March, 2020. 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 various industries. The Company specializes in meeting specific requirement of customers and offers complete solution for stainless steel pipes and tubes.

The Company is located in the state of Gujarat and supplying the produce in different states of India. Now Company is planning to explore the international market.

### Industry Structure:

India is among the fastest growing steel tubes and pipes manufacturers in the world with production estimated at about 10-12 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 customize 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 was Rs. 76,086,793 during the year 2019-20 compared to Rs. 154,352,619 in the year 2018-19. After providing for Taxation (mainly, deferred tax liability), the Company has made profit of Rs. 1,755,652 in current year (2019-20) as compared to profit of Rs. 1,152,394 of last year (2018-19) which has been transferred to the Balance Sheet. During the current year, the Company attempted to reduce its debt. The Company also attempted to reduce its debtor level. The Company also planned to increase its dealer network. Due to strategic reasons, the Company has stopped trading activities which also resulted into reduction in turnover. The Company also plan to shift towards high value grade production like 304 which may give more conversion as compared to 202.

### 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 market 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. The management is regularly keeping watch on the international trade policy also.

**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 is a precious asset 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 continuous improvement in processes, practices and EHS awareness. Your Company not only cares for compliances in this aspect 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.

**For and on behalf of the Board**

**Place : Gandhinagar  
Date : 29<sup>th</sup> June, 2020**

**Saurabhkumar R. Patel  
(DIN:06964670)  
Chairperson and Managing Director**

## INDEPENDENT AUDITOR'S REPORT

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

### Report on the Audit of the Standalone Ind AS Financial Statements

#### Opinion

We have audited the accompanying Standalone Ind AS financial statements of **UMIYA TUBES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, and the Statement of Profit and loss, Statement of Changes in Equity, Statement of the Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (here in after referred to as "Standalone Ind AS Financial Statement")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statement, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit including other comprehensive income and its Cash Flow for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

Attention is drawn to the following Notes to the Ind AS financial statements:

- (1) Note No. 39 which describes about impact of COVID 19 pandemic on financial statements.

Our report is not modified in respect of above matters.

#### Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	Refer to note no. 21 to the financial statements which includes undisputed IGST payable for the F.Y. 2017-18, 2018-19 and 2019-20 aggregating to Rs. 6656990.00 as per books of account and it is subject to reconciliation.	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures in this regard is as under:-</p> <ul style="list-style-type: none"> <li>- Assessed and tested controls in respect of accounting and payment of Goods and Service Tax.</li> <li>- On a statistical sample, we performed the following procedures:               <ul style="list-style-type: none"> <li>- assessed the IGST payable on invoices.</li> <li>- evaluated computation of IGST payable.</li> </ul> </li> </ul>
2	Refer to note no. 21 to the financial statements which includes undisputed GST payable for the F.Y. 2017-18, 2018-19 and 2019-20 aggregating to Rs. 867772.00 as per books of account and it is subject to reconciliation.	<p><b>Principal Audit Procedures</b></p> <p>Our audit procedures in this regard is as under:-</p> <ul style="list-style-type: none"> <li>- Assessed and tested controls in respect of accounting and payment of Goods and Service Tax.</li> <li>- On a statistical sample, we performed the following procedures:               <ul style="list-style-type: none"> <li>- assessed the GST payable on invoices.</li> <li>- evaluated computation of GST payable.</li> </ul> </li> </ul>

3.	<b>Impact of Covid-19 on Standalone Financial Statements</b>	<b>Principal Audit Procedures</b>
	<p>Coronavirus disease 2019 (COVID19), was declared a global pandemic by World Health Organisation. In line with the directions on lockdown issued by the State Government of Gujarat, the Company temporarily suspended the operations of its manufacturing units at two locations from 23 March 2020 till 31 March 2020; and subsequently upto further dates as instructed by the State Government.</p> <p>COVID-19 has resulted in restriction in movement of goods during the period from 23 March 2020 till 31 March 2020 impacting normal business operations for the Company including revenues, receivables, purchases including services and inventories at the year-end and hence considered key audit matter.</p>	<p>We have performed the following procedures to assess and evaluate the impact on financial statements because of business decisions, government actions or economic environment developments:-</p> <ul style="list-style-type: none"> <li>- Enquired with the Company on the manner of financial support (if any) provided to the vendors and service providers; and their recognition in the financial statements.</li> <li>- Enquired with the Company on any information on the liquidity position of any vendors; and ascertained the need for any additional provisioning for impairment/credit loss in the financial statements.</li> <li>- We assessed the disclosures on COVID-19 made in the financial statements.</li> <li>- Our ability to perform regular audit procedures has been impacted which has required us in certain cases to perform alternative audit procedures and exercise significant judgment in respect of the following: <ul style="list-style-type: none"> <li>a) Audit and quality control procedures which were earlier performed in person could not be performed; and hence alternative procedures have been performed based on inquiries (through phone calls, video calls and e-mail communications) and review of scanned documentation sent through e-mails, followed up with sighting with original documents.</li> <li>b) Year-end observation of inventory counts could not be performed. However, inventory counts were observed subsequent to year-end; and rolled back to year-end.</li> </ul> </li> </ul>

**Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Standalone Ind AS Financial Statement that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Standalone Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### Other Matter

The Company has availed moratorium for principal as well as interest on term loans from Bajaj Finance Limited in terms of RBI Circular No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020. The Company has not paid principal of Rs. 124161.00 and interest of Rs. 15894.00 for the month of March, 2020 on account of moratorium availed. Our report is not modified in respect of above matters.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - (d) In our opinion, the aforesaid Standalone Ind AS Financial Statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of written representation received from directors as on march 31, 2020 taken on the record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has no pending Litigations during the Year.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR P SINGHVI & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 113602W

sd/-

**(PRAVEEN SINGHVI)**  
PARTNER

**M. NO. 071608**

UDIN:20071608AAAADT1930

**Place :** GANDHINAGAR

**Date :** 29<sup>th</sup> June, 2020

#### **ANNEXURE A" TO INDEPENDENT AUDITORS' REPORT**

The annexure referred to in paragraph under the heading 'Report on other Legal and Regulatory Requirements' of our report of even date to Standalone Ind AS financial statements of **UMIYA TUBES LIMITED**, for the year ended on 31<sup>st</sup> March, 2020, we report that:

**1. FIXED ASSETS:**

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, company has 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 our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed.
- (c) According to information and explanation given to us and on the basis of our examination of record of the Company, the title deeds of immovable properties are held in the name of the company.

**2. INVENTORIES:**

The Management has conducted physical verification of inventory at reasonable intervals during the Year. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business. No discrepancies on physical verification of inventories were noticed.

**3. LOANS & ADVANCES:**

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 Companies Act, 2013. Accordingly, clause (iii)(a) and (iii)(b) of paragraph 3 of the Order is not applicable to the Company.

**4. LOANS, INVESTMENT & GUARANTEES:**

According to information & explanation given to us, 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. FIXED DEPOSITS:**

According to the information and explanations given to us, the Company has not accepted any deposits therefore directive issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, clause (v) of paragraph 3 of the Order is not applicable to the Company

**6. COST AUDIT RECORDS:**

AS informed to us maintenance of cost records have not been specified by the Central Government under sub section (1) of section 148 of the Act, in respect of activities carried on by the Company.



7. (a) The Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income – tax, sales tax, service tax, excise duty, Value Added Tax, GST and other material statutory dues applicable to it, however small amount of TDS and Provident Fund has not been paid and unpaid GST is subject to reconciliation, Details of unpaid undisputed dues as per books of accounts as on 31.03.2020 which is subject to reconciliation are as under:-

S.No	Particulars	Amount (Rs.)	Period for which outstanding
1	Provident Fund	82533.00	April- September,2019
2	GST	867772.00	Above six months
3	IGST	5180650.00	FY 2017-18, 2018-19.
4	IGST	1476340.00	F.Y. 2019-20
5	TDS	107285.00	April,2019- March,2020

- (b) According to the information and explanation given to us there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of excise, value added tax, GST, cess.

#### 8. DEFAULT IN PAYMENT OF DUES:

According to the information and explanations given to us, the Company has not defaulted in the repayment of Loans and Borrowings to financial institutions, banks government or dues to debenture holders during the year. The Company has availed moratorium for principal as well as interest on term loans from Bajaj Finance Limited in terms of RBI Circular No. RBI/2019-20/220DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020. The Company has not paid principal of Rs. 124161.00 and interest of Rs. 15894.00 for the month of March, 2020 on account of moratorium availed.

#### 9 FUND RAISED BY PUBLIC ISSUE/ FOLLOW ON OFFER/ TERM LOAN:

The company has not raised money by way of IPO or FPO (including debts instruments) during the Year.

#### 10 FRAUD:

During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud on or by the Company by it's officers / employees has been noticed or reported during the year.

#### 11 MANAGERIAL REMUNERATION:

According to the information given to us, the company has provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.

#### 12 NIDHI COMPANY:

The Company is not a Nidhi Company as defined under section 406 of Companies Act 2013. Therefore, clause (xii) of paragraph 3 of the order is not applicable to the company.

#### 13 TRANSACTION WITH RELATED PARTY:

According to information and explanations given to us and examination of records of the company, all transactions with related parties in compliance with section 177 and 188 of Companies Act 2013 wherever applicable and details of transactions have been duly disclosed in the financial statement as required by the applicable accounting standards.

#### 14 PREFERENTIAL ALLOTMENT / PRIVATE PLACEMENT OF SHARE/ISSUE OF DEBENTURE:

During the year company has not made any preferential allotment or private placement of shares nor have issued any full or partly convertible debenture as required under section 42 of the Companies Act 2013. Therefore, clause (xiv) of paragraph 3 of the order is not applicable to the company.

#### 15 NON CASH TRANSACTION WITH DIRECTORS:

As per the information and explanation given to us, company has not entered in to any non-cash transaction with directors or persons connected with him. Therefore, clause (xv) of paragraph 3 of order is not applicable to the Company.

#### 16 NBFC REGISTRATION:

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as NBFC. Therefore, clause (xvi) of paragraph 3 of order is not applicable to the company.

**FOR P SINGHVI & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 FRN 113602W  
 sd/-

**(PRAVEEN SINGHVI)**  
 PARTNER

**M. NO. 071608**

UDIN: 20071608AAAADT1930

**Place :** GANDHINAGAR

**Date :** 29<sup>th</sup> June, 2020



**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of UMIYA TUBES LIMITED, GANDHINAGAR.****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 31<sup>st</sup> March, 2020 in conjunction with our audit of the standalone Ind AS 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 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind As 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 Standalone Ind AS 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 Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone Ind AS 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 31<sup>st</sup> March, 2020, 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 P SINGHVI & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 113602W  
sd/-

**(PRAVEEN SINGHVI)**  
PARTNER  
M. NO. 071608

UDIN: 20071608AAAADT1930

**Place :** GANDHINAGAR  
**Date :** 29<sup>th</sup> June, 2020

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2020**

(Amt. in Rs.)

PARTICULARS	Notes	As at March 31, 2020	As at March 31, 2019
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3 (a)	6,70,24,442.00	7,00,84,853.00
(b) Capital work-in-progress		-	-
(c) Intangible assets	3 (b)	532.00	532.00
(d) Deferred Tax Assets (net)	4	12,047.00	87,797.75
(e) Other non-current assets	5	39,506.00	6,82,463.00
<b>Total non current assets</b>		<b>6,70,76,527.00</b>	<b>7,08,55,645.75</b>
<b>(2) Current assets</b>			
(a) Inventories	6	2,99,50,023.12	4,52,59,657.80
(b) Financial assets			
(i) Investments	7	74,20,450.00	2,24,53,195.50
(ii) Trade receivables	8	9,73,53,063.38	8,93,91,254.26
(iii) Cash and cash equivalents	9	2,34,190.73	1,34,027.18
(iv) Bank balances other than (iii) above	10	-	12,94,929.53
(v) Loans	11	3,75,000.00	27,413.85
(vi) Others	12	9,70,509.00	10,70,509.00
(c) Other current assets	13	2,25,31,422.35	1,35,70,207.79
<b>Total current assets</b>		<b>15,88,34,658.58</b>	<b>17,32,01,194.91</b>
<b>TOTAL ASSETS</b>		<b>22,59,11,185.58</b>	<b>24,40,56,840.66</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	10,00,66,670.00	10,00,66,670.00
(b) Other equity	15	3,73,59,322.21	4,22,66,567.28
<b>Total equity</b>		<b>13,74,25,992.21</b>	<b>14,23,33,237.28</b>
<b>Liabilities</b>			
<b>(1) Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	3,83,173.62	62,51,148.84
(c) Deferred tax liabilities (net)	17	74,34,592.00	81,06,563.00
<b>Total non current liabilities</b>		<b>78,17,765.62</b>	<b>1,43,57,711.84</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	2,53,82,441.70	1,89,54,811.40
(ii) Trade payables	19	4,01,67,499.12	4,87,17,260.42
(ii) Other financial liabilities	20	60,75,116.00	72,35,724.00
(b) Other current liabilities	21	88,66,308.93	1,23,70,297.97
(c) Provisions		-	-
(d) Current Tax Liabilities (net)	22	1,76,062.00	87,797.75
<b>Total current liabilities</b>		<b>8,06,67,427.75</b>	<b>8,73,65,891.54</b>
<b>Total liabilities</b>		<b>8,84,85,193.37</b>	<b>10,17,23,603.38</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,59,11,185.58</b>	<b>24,40,56,840.66</b>
Corporate information	1		
Summary of significant accounting policies	2		
Other Notes forming part of Financial Statements	32-38		

AS PER OUR REPORT OF EVEN DATE ATTACHED  
FOR P SINGHVI & ASSOCIATES

Chartered Accountants  
FRN 113602W

sd/-  
(PRAVEEN SINGHVI)  
Partner

M. NO. 071608  
UDIN: 20071608AAAADT1930

PLACE : GANDHINAGAR  
DATE : 29TH JUNE,2020

For & On behalf of the Board of Directors

sd/-  
(SAURABH R. PATEL)  
Chairperson & Managing Director  
(DIN: 06964670)

sd/-  
(YASH JOSHI)  
Director and CFO  
(DIN: 07397444)

sd/-  
(SURENDRASINH P. VAGHELA)  
Managing Director  
(DIN : 06415080)

sd/-  
(RITENDRASINGH RATHOD)  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020**

(Amt. in Rs.)

PARTICULARS	Notes No.	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Income</b>			
I. Revenue from operations (Gross)	23	7,02,85,442.00	14,79,98,929.93
II. Other income	24	58,01,351.37	63,53,689.37
<b>III. Total Income (I+II)</b>		<b>7,60,86,793.37</b>	<b>15,43,52,619.30</b>
<b>IV. Expenses</b>			
Cost of Material Consumed	25	4,80,75,573.23	13,71,60,008.26
Purchase of Traded Goods	26	24,568.50	1,30,99,462.85
Changes in inventories	27	1,32,37,912.88	(2,24,37,407.92)
Employee benefits expenses	28	19,91,796.00	52,66,484.00
Finance costs	29	36,67,952.65	44,70,536.13
Depreciation and amortization Expenses	3	35,36,301.00	38,58,415.35
Other expenses	30	32,20,365.08	1,24,78,791.35
<b>Total Expenses (IV)</b>		<b>7,37,54,469.34</b>	<b>15,38,96,290.02</b>
<b>V. Profit/(loss) before Exceptional Items and Tax (III-IV)</b>		<b>23,32,324.03</b>	<b>4,56,329.28</b>
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit/(loss) before Tax (V-VI)</b>		<b>23,32,324.03</b>	<b>4,56,329.28</b>
<b>VIII. Tax expense:</b>			
1. Current Tax		1,76,062.00	87,797.75
2. Deferred Tax		4,12,657.00	(6,96,065.00)
3. Mat Credit Entitlement		(12,047.00)	(87,797.75)
<b>IX. Profit/(Loss) for the period</b>		<b>17,55,652.03</b>	<b>11,52,394.28</b>
<b>X. Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Gains/(Losses) on Fair Valuation of Investments		-66,62,897.10	63,46,210.00
(ii) Income tax related to items that will not be reclassified to profit or loss		10,84,628.00	(4,66,493.00)
<b>Total Other Comprehensive Income</b>		<b>-55,78,269.10</b>	<b>58,79,717.00</b>
<b>XI. Total comprehensive income for the period (IX + X)</b>		<b>-38,22,617.07</b>	<b>70,32,111.28</b>
<b>XII. Earnings per equity share</b>			
1. Basic/diluted	31	-0.38	0.70
Corporate information	1		
Summary of significant accounting policies	2		
Other Notes forming part of Financial Statements	32-38)		

**AS PER OUR REPORT OF EVEN DATE ATTACHED For & On behalf of the Board of Directors**  
**FOR P SINGHVI & ASSOCIATES**

**Chartered Accountants**  
 FRN 113602W

sd/-  
**(PRAVEEN SINGHVI)**  
 Partner

**M. NO. 071608**  
 UDIN: 20071608AAAADT1930

**PLACE : GANDHINAGAR**  
**DATE : 29TH JUNE,2020**

sd/-  
**(SAURABH R. PATEL)**  
 Chairperson & Managing Director  
 (DIN: 06964670)

sd/-  
**(YASH JOSHI)**  
 Director and CFO  
 (DIN: 07397444)

sd/-  
**(SURENDRASINH P. VAGHELA)**  
 Managing Director  
 (DIN : 06415080)

sd/-  
**(RITENDRASINGH RATHOD)**  
 Company Secretary

**PLACE : GANDHINAGAR**  
**DATE : 29TH JUNE,2020**

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED ON 31<sup>ST</sup> MARCH 2020

Amount in Rs.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A) CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax as per the Statement of Profit & Loss	23,32,324.03	4,56,329.28
Adjustments for:		
Miscellaneous Exp written off	6,42,957.00	6,42,148.00
Depreciation and Amortisation	35,36,301.00	38,58,415.35
Gain on sale of mutual fund	-	(8,80,707.77)
Dividend	-	(500.00)
Interest Expenses	33,34,049.78	32,58,923.24
Interest Income	(35,397.01)	(9,55,591.00)
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>98,10,234.80</b>	<b>63,79,017.10</b>
<b>Changes in Working Capital :</b>		
<b>Adjustments for:</b>		
(Increase)/Decrease in Inventories	1,53,09,634.68	(1,75,26,586.80)
(Increase)/Decrease in Trade Receivables	(79,61,809.12)	3,60,95,092.74
(Increase)/Decrease in Other Bank Balances	12,94,929.53	64,91,119.47
(Increase)/Decrease in Current Financial Assets Loans	(3,47,586.15)	15,93,586.16
(Increase)/Decrease in Current Financial Assets Others	1,00,000.00	-
(Increase)/Decrease in Other current assets	(39,61,214.56)	7,20,406.21
Increase/ (Decrease) in Trade Payables	(85,49,761.30)	-
Increase/ (Decrease) in Provisions - Current	-	5,11,707.86
Increase/ (Decrease) in Current Financial Liabilities	-	(4,10,76,284.15)
Increase/ (Decrease) in Other Current Liability	(35,03,988.92)	(15,89,107.32)
<b>Effect of Changes in Working Capital</b>	<b>(76,19,795.84)</b>	<b>(1,47,80,065.83)</b>
<b>Cash generated from/(used in) operations</b>	<b>21,90,438.96</b>	<b>(84,01,048.73)</b>
Direct Taxes (Paid) / Refunded - (net)	-	(18,17,120.00)
<b>Cash flow from/(used in) operating activities</b>	<b>21,90,438.96</b>	<b>(1,02,18,168.73)</b>
<b>B) CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES</b>		
Procurement of Property, Plant and Equipments / Intangibles	(4,75,890.00)	(6,11,000.35)
Interest Income Received	35,397.01	9,55,591.00
Fair Valuation of Investments	(2,17,972.00)	(7,38,965.00)
Proceeds from sale of Investment	25,61,543.40	25,36,857.26
Dividend Income	-	500.00
<b>Net Cash Flow from Financing Activity</b>	<b>19,03,078.41</b>	<b>21,42,982.91</b>
<b>C) CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	-	-
Proceeds/ Repayment of Borrowings	(6,75,197.92)	1,01,50,142.24
Interest paid	(33,18,155.78)	(32,58,923.24)
<b>Cash flow from / (used in) financing activities</b>	<b>(39,93,353.70)</b>	<b>68,91,219.00</b>
<b>Net (decrease) / increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>1,00,163.67</b>	<b>(11,83,966.82)</b>
Cash and cash equivalents at the beginning of the year	<b>1,34,027.18</b>	<b>13,17,994.00</b>
Cash and cash equivalents at the end of the year	<b>2,34,190.73</b>	<b>1,34,027.18</b>

## Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (IND AS) 7 - "Cash Flow Statements".
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

AS PER OUR REPORT OF EVEN DATE ATTACHED For &amp; On behalf of the Board of Directors

FOR P SINGHVI &amp; ASSOCIATES

Chartered Accountants

FRN 113602W

sd/-  
(PRAVEEN SINGHVI)  
Partner

M. NO. 071608  
UDIN: 20071608AAAADT1930

sd/-  
(SAURABH R. PATEL)  
Chairperson & Managing Director  
(DIN: 06964670)

sd/-  
(YASH JOSHI)  
Director and CFO  
(DIN: 07397444)

sd/-  
(SURENDRASINH P. VAGHELA)  
Managing Director  
(DIN : 06415080)

sd/-  
(RITENDRASINGH RATHOD)  
Company Secretary

PLACE: GANDHINAGAR  
DATE : 29TH JUNE,2020

PLACE : GANDHINAGAR  
DATE : 29TH JUNE,2020

**Statement of Changes in Equity (SOCIE) as at 31 March 2020**
**(a) Equity**

Particulars	Equity Share Capital	Total
Balance as at April 1, 2019	10,00,66,670	10,00,66,670
Additons during the year	-	-
Balance as at March 31, 2020	10,00,66,670	10,00,66,670

**(b) Other equity**

Particulars	Attributable to the equity holders					Total
	Reserve and Surplus					
	Securities Premium Account	Capital Reserve	Retained earnings	Share Warrants	OCI	
Balance at April 1, 2019	1,10,25,000.00	15,00,000.00	1,10,48,378.28	-	86,30,689.00	3,22,04,067.28
Profit for the year	-	-	17,55,652.03	-	-	17,55,652.03
Other comprehensive income for the year	-	-	-	-	-66,62,897.10	-66,62,897.10
Write off during the year	-	-	-	1,00,62,500.00	-	1,00,62,500.00
<b>Total comprehensive income for the year</b>	<b>1,10,25,000.00</b>	<b>15,00,000.00</b>	<b>1,28,04,030.31</b>	<b>1,00,62,500.00</b>	<b>19,67,791.90</b>	<b>3,73,59,322.21</b>
Balance at March 31, 2020	1,10,25,000.00	15,00,000.00	1,28,04,030.31	1,00,62,500.00	19,67,791.90	3,73,59,322.21

**Statement of Changes in Equity (SOCIE) as at 31 March 2020**
**(a) Equity**

Particulars	Equity Share Capital	Total
Balance as at April 1, 2019	7,50,50,000	7,50,50,000
Equity Shares issued during the year	2,50,16,670	2,50,16,670
Balance as at March 31, 2020	10,00,66,670	10,00,66,670

**(b) Other equity**

Particulars	Attributable to the equity holders					Total
	Reserve and Surplus					
	Securities Premium Account	Capital Reserve	Retained earnings	Share Warrants Forfeited	OCI	
Balance at April 1, 2019	1,10,25,000.00	15,00,000.00	3,49,12,654.00	-	27,50,972.00	5,01,88,626.00
Profit for the year	-	-	11,52,394.28	-	-	11,52,394.28
Other comprehensive income for the year	-	-	-	-	58,79,717.00	58,79,717.00
Forfeited during the year	-	-	-	1,00,62,500.00	-	1,00,62,500.00
<b>Total comprehensive income for the year</b>	<b>1,10,25,000.00</b>	<b>15,00,000.00</b>	<b>3,60,65,048.28</b>	<b>1,00,62,500.00</b>	<b>86,30,689.00</b>	<b>6,72,83,237.28</b>
Bonus Shares issued	-	-	(2,50,16,670.00)	-	-	(2,50,16,670.00)
Balance at March 31, 2020	1,10,25,000.00	15,00,000.00	1,10,48,378.28	1,00,62,500.00	86,30,689.00	4,22,66,567.28

**AS PER OUR REPORT OF EVEN DATE ATTACHED For & On behalf of the Board of Directors**
**FOR P SINGHVI & ASSOCIATES**
**Chartered Accountants**

FRN 113602W

 sd/-  
**(PRAVEEN SINGHVI)**  
 Partner

 sd/-  
**(SAURABH R. PATEL)**  
 Chairperson & Managing Director  
 (DIN: 06964670)

 sd/-  
**(SURENDRASINH P. VAGHELA)**  
 Managing Director  
 (DIN : 06415080)

 M. NO. 071608  
 UDIN: 20071608AAAADT1930

 sd/-  
**(YASH JOSHI)**  
 Director and CFO  
 (DIN: 07397444)

 sd/-  
**(RITENDRASINGH RATHOD)**  
 Company Secretary

 PLACE : GANDHINAGAR  
 DATE : 29TH JUNE,2020

 PLACE : GANDHINAGAR  
 DATE : 29TH JUNE,2020

## Note 1 –Corporate Information

Umiya Tubes Limited ('The Company') is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its main objects, is manufacturing of Steel.

## Note 2– Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Basis of Preparation

#### (i) Statement of Compliance with Ind AS

These financials statements accounts have been prepared in accordance with Ind AS and disclosures thereon comply with requirements of Ind AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, MSMED Act, 2006, other pronouncements of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule – III to the Companies Act, 2013 and Para 60 and 64 of Ind AS 1 "Presentation of financial statements".

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

#### Historical cost convention

The financial statements are prepared on accrual basis of accounting under historical cost convention, except for the following:

- Certain financial assets and liabilities measured at fair value;

### (b) Use of estimates and judgements

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments 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 statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Useful lives of property, plant and equipment and intangible assets
- Recognition and measurement of other provisions
- Current/deferred tax expense
- Contingent liabilities and assets
- Expected credit loss for receivables
- Fair valuation of unlisted securities
- Measurement of defined benefit obligations

#### Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

### (c) Property, Plant and Equipment

Property plant and equipment are stated at their cost of acquisition / construction less depreciation and impairment, if any. The cost comprises of the purchase price and any attributable cost for bringing the asset to its working condition for its intended use; like freight, duties, taxes and other incidental expenses, net of CENVAT or Goods and service tax (GST) credit.



The Company capitalises the assets all the cost directly attributable and ascertainable, to asset. It also includes borrowings attributable to acquisition of such assets.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. The Company has identified, reviewed, tested and determined the componentisation of the significant assets.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the income statement when the asset is derecognised.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset

**(d) Intangible Assets**

Intangible Assets includes amount paid towards

- Cost of Computer software. The Company capitalises software as Intangible Asset where it is expected to provide future enduring economic benefits.

Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to revenue in the income statement when the intangible asset is derecognised.

**(e) Depreciation and Amortisation, Estimated Useful Lives and Residual Values**

Depreciation on tangible assets is provided on straight line method over the useful life of the asset estimated by the management. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortised over their respective individual estimate useful life on a straight line basis, commencing from the date the asset is available to the company for its intended use.

Based on management estimate, residual value of 5% is considered for respective assets.

Component accounting of assets: If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and accordingly depreciated at the useful lives specified as below.

The residual values, useful lives and methods of depreciation of property, plant and equipment (PPE) are reviewed at the end of each financial year and adjusted prospectively if appropriate

The management estimates the useful life of other fixed assets as follows:-

<b>Class of Asset</b>	<b>Useful Life in Years</b>
<b>(I) Tangible Assets</b>	
Buildings	60
Steel Network	30
Other Plant & Machinery	15
Vehicles	8
Fixtures & fittings	10
Office Equipments	5
Computer Hardware	3
Electrical Installation	10
<b>(II) Intangible Assets</b>	
Software	03

The management believes that these useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The useful lives are reviewed by the management at each financial year end and revised, if appropriate. In case of a revision, the unamortised depreciable amount (remaining net value of assets) is charged over the revised remaining useful lives.

**(f) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial Asset**

**Initial Recognition**

A financial asset or a financial liability is recognised in the balance sheet only when, the Company becomes party to the contractual provisions of the instrument.



### Initial Measurement

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

### Subsequent measurement

For purpose of subsequent measurement, financial assets are classified as under:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through profit or loss (FVTPL); and
- Financial assets measured at fair value through other comprehensive income (FVTOCI).

The Company classifies its financial assets in the above mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.

A financial asset is measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
- The assets contractual cash flows represent SPPI.

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

### Equity Investments

All investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1. The contractual rights to the cash flows from the financial asset have expired, or
2. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - i) The Company has transferred substantially all the risks and rewards of the asset, or
  - ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment of Financial Assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of Profit & Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables - ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts - ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Financial assets measured at FVTOCI - Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

### Financial Liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loan and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments

#### Subsequent measurement

- Financial liabilities measured at amortised cost
- Financial liabilities subsequently measured at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### **Loan and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### **Trade and other payables**

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

#### **(g) Embedded foreign currency derivative**

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related

#### **(h) Fair Value Measurement**

The Company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1. Quantitative disclosures of fair value measurement hierarchy.
2. Investment in Mutual Funds.
3. Financial instruments (including those carried at amortised cost).

#### (i) Inventories

Inventories includes raw material, work in progress finished goods, scrap, packing material, atores and spares, oil and gas. It is valued at the lower of cost or net realizable value.

Cost of inventory includes cost of raw material, labour, and proportionate direct manufacturing overhead based on normal capacity.

Net Relisable value is estimated selling price in ordinary course of business net of selling expenses.

#### (j) Employee Benefits

Employees Benefits are provided in the books as per Ind AS -19 on "Employee Benefits" in the following manner:

##### A. Post-Employment Benefit Plans

###### · **Defined Contribution Plan:**

Contribution towards provident fund for eligible employees are accrued in accordance with applicable statutes and deposited with the regulatory provident fund authorities (Government administered provident fund scheme). The Group does not carry any other obligation apart from the monthly contribution.

The Company's contribution is recognised as an expenses in the statement of Profit and Loss during the period in which the employee renders the related service.

###### · **Defined Benefit Plan:**

The company provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972, through an approved Gratuity Fund. The Gratuity Fund is separately administered through a Trust/Scheme. Contributions in respect of gratuity are made to the approved Gratuity Fund.

The Company's liability is actuarially determined by qualified actuary (using the Projected Unit Credit method) at the end of each year and is recognized in the Balance sheet as reduced by the fair value of Gratuity Fund. Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

###### · **Long Term Employee Benefits:**

The liability in respect of accrued leave benefits which are expected to be availed or en-cashed beyond 12 months from the end of the year, is treated as long term employee benefits. The Company's liability is actuarially determined by qualified actuary at balance sheet date by using the Projected Unit Credit method. Actuarial losses/ gains are recognized in the Statement of Other Comprehensive Income in the year in which they arise.

## B. Other Long Term Service Benefits

### Long Service Award (LSA):

On completion of specified period of service with the company, employees are rewarded with Cash Reward of different amount based on the duration of service completed. The Company's liability is actuarially determined by qualified actuary at balance sheet date at the present value of the amount payable for the same. Actuarial losses/gains are recognized in the Statement of profit and loss in the year in which they arise.

## C. Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the services. Short term employee benefits includes salary and wages, bonus, incentive and ex-gratia and also includes accrued leave benefits, which are expected to be availed or en-cashed within 12 months from the end of the year.

## (k) Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

## (l) Borrowing Cost

The Company is capitalising borrowing costs that are directly attributable to the acquisition or construction of qualifying asset up to the date of commissioning. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The Expenses incurred in connection with the arrangement of borrowings are capitalized over the period of the borrowing and every year such cost is apportioned to assets based on the actual amount borrowed during the year. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

## (m) Foreign Currency Transactions

### (i) Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year-end exchange rates are generally recognised in profit or loss.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

## (n) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of the amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.



**I. Sale**

- Sale is recognized when risk and rewards are transfer to ultimate customer.
- The amount recognised as revenue is stated exclusive of excise duty and exclusive of Sales Tax /Value Added Tax (VAT) and Goods and service tax (GST).

**II. Other operating income –**

- Labour income is recognized on completed service contract method.
- Interest income is recognized on time proportionate basis.
- Dividend income is recognized when right to receive is established.
- Other operating income and misc. income are accounted on accrual basis as and when the right to receive arises.

**(o) Taxation**

Income tax expenses comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

**Income Taxes**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

**Deferred Taxes**

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements at the reporting date. Deferred tax are recognised in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilized. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

**(p) Impairment of non-financial assets**

In accordance with Ind AS 36 on “Impairment of Assets” at the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset’s or cash generating unit’s net selling price and its value in use. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to Other Comprehensive Income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

**(q) Earnings Per Share***Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company’s earnings per share is the net profit for the period and any attributable distribution tax thereto for the period.

*Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(r) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are not recognised for future operating losses. Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period and are not discounted to present value. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liability is disclosed in the case of:

- A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from the past events, when no reliable estimate is possible;
- A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not provided for and if material, are disclosed by way of notes to financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, Contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

A contingent asset is disclosed by way of notes to financial statements, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date

**(s) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement



For arrangements entered into prior to 1<sup>st</sup> April 2017, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition

**As a lessee****Finance Lease**

Lease of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards incidental to ownership are classified as finance leases.

At the commencement of the lease term, the Company recognises finance leases as assets in its balance sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, if not, the Company's incremental borrowing rate is used. Any indirect costs of the Company are added to the amount recognised as an asset.

Minimum lease payments is apportioned between the finance charge and the reduction of the outstanding liability. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

**Operating lease**

Leases in which a significant portion of the risks and rewards incidental to ownership is not transferred to the Company as lessee are classified as operating leases. Lease payments under an operating lease is recognised as an expenses on a straight-line basis over the lease term unless either:

- another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

**(t) Segment Reporting**

The Company primarily operates in the segment of Steel Business. The board of directors of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a one, hence no separate segment need to be disclosed.

**(u) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash and deposits with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(v) Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**(w) Dividends**

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**(x) Events occurring after the Reporting Date**

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

**(y) Exceptional Items**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**(z) Insurance Claims**

The company accounts for insurance claims when there is certainty that the claims are realizable and acknowledged by insurance company and amount recognized in books of accounts is as under:

- In case of loss of asset /goods by transferring, either the carrying cost of the relevant asset / goods or insurance value (subject to deductibles), whichever is lower under the head "Claims Recoverable-Insurance".
- In case insurance claim is, less than carrying cost the difference is charged to Profit and Loss statement. As and when claims are finally received from insurer, the difference, if any, between Claims Recoverable-Insurance and claims received is adjusted to Profit and Loss statement.

**Note - 3 Property, Plant and Equipments**

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION				NET BLOCK		
	Balance as at 1st APRIL 2019	Additions	Disposals	Balance as at 31st MARCH 2020	Balance as at 1st APRIL 2019	Charge for the year	Eliminated on disposal of assets	Balance as at 31st MARCH 2020	Balance as at 31st MARCH 2020	Balance as at 31st MARCH 2019
<b>Note- 3(a) Property, Plant and Equipment</b>										
Freehold Land	38,05,000.00	-	-	38,05,000.00	-	-	-	-	38,05,000.00	38,05,000.00
Buildings	3,48,41,244.00	4,75,890.00	-	3,53,17,134.00	36,22,456.00	11,24,684.00	-	47,47,140.00	3,05,69,994.00	3,12,18,788.00
Computer Equipment	3,51,100.00	-	-	3,51,100.00	2,70,927.00	44,629.00	-	3,15,556.00	35,544.00	80,173.00
Plant and Machinery	23,99,980.00	-	-	23,99,980.00	3,77,615.00	1,46,538.00	-	5,24,153.00	18,75,827.00	20,22,365.00
Steel Plant	4,11,84,088.00	-	-	4,11,84,088.00	93,58,460.00	20,29,508.00	-	1,13,87,968.00	2,97,96,120.00	3,18,25,628.00
Furniture and Fixtures	3,75,704.00	-	-	3,75,704.00	86,257.00	35,816.00	-	1,22,073.00	2,53,631.00	2,89,447.00
Vehicles	54,872.00	-	-	54,872.00	10,912.00	5,227.00	-	16,139.00	38,733.00	43,960.00
Electric installation	11,77,129.00	-	-	11,77,129.00	5,29,138.00	1,11,467.00	-	6,40,605.00	5,36,524.00	6,47,991.00
Office Equipment	2,31,622.00	-	-	2,31,622.00	80,121.00	38,432.00	-	1,18,553.00	1,13,069.00	1,51,501.00
<b>Total Property, Plant and Equipment</b>	<b>8,44,20,739.00</b>	<b>4,75,890.00</b>	<b>-</b>	<b>8,48,96,629.00</b>	<b>1,43,35,886.00</b>	<b>35,36,301.00</b>	<b>-</b>	<b>1,78,72,187.00</b>	<b>6,70,24,442.00</b>	<b>7,00,84,853.00</b>
<b>Previous Year</b>	<b>8,38,09,739.00</b>	<b>6,11,000.00</b>	<b>-</b>	<b>8,44,20,739.00</b>	<b>1,04,77,471.00</b>	<b>38,58,415.00</b>	<b>-</b>	<b>1,43,35,886.00</b>	<b>7,00,84,853.00</b>	<b>7,33,32,268.00</b>
<b>Note - 3(b) Intangible Asset</b>										
Computer Software	16,381.00	-	-	16,381.00	15,849.00	-	-	15,849.00	532.00	532.00
<b>Total Intangible Asset</b>	<b>16,381.00</b>	<b>-</b>	<b>-</b>	<b>16,381.00</b>	<b>15,849.00</b>	<b>-</b>	<b>-</b>	<b>15,849.00</b>	<b>532.00</b>	<b>532.00</b>
<b>Previous Year</b>	<b>16,381.00</b>	<b>-</b>	<b>-</b>	<b>16,381.00</b>	<b>15,849.00</b>	<b>-</b>	<b>-</b>	<b>15,849.00</b>	<b>532.00</b>	<b>532.00</b>

**NOTES FORMING PART OF the financial statements**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>NOTE 4 : DEFERRED TAX ASSETS (NET)</b>		
Mat Credit Entitlement	12,047.00	87,797.75
	<b>12,047.00</b>	<b>87,797.75</b>
<b>NOTE 5 : OTHER NON- CURRENT ASSETS</b>		
Miscellaneous Expenses	39,506.00	6,82,463.00
	<b>39,506.00</b>	<b>6,82,463.00</b>
<b>NOTE 6 : INVENTORIES*</b>		
Raw Material (Coil, Packing Material, Stores & Spares etc)	86,10,301.98	1,07,48,669.53
Finished Goods	2,12,73,075.39	3,45,10,988.27
Scrap	66,645.75	-
	<b>2,99,50,023.12</b>	<b>4,52,59,657.80</b>
* For Valuation- Refer note 2(g)		
<b>NOTE 7 : CURRENT FINANCIAL INVESTMENTS</b>		
Investment in Equity Instruments- Quoted Valued at Fair Value through OCI		
Investment in Equity Shares (Cost Price Rs 5906801)	74,20,450.00	2,24,53,195.50
<b>Total of Investment Valued at Fair value through OCI</b>	<b>74,20,450.00</b>	<b>2,24,53,195.50</b>
Category Wise Investments -Current Financial Asset Measured at Fair Value through OCI	74,20,450.00	2,24,53,195.50
	<b>74,20,450.00</b>	<b>2,24,53,195.50</b>
<b>NOTE 8 : TRADE RECEIVABLES</b>		
Outstanding for a period exceeding six months from the date they were due for payment		
<b>Secured</b>		
- Considered Good	-	-
<b>Unsecured</b>		
- Considered Good	81,36,489.12	4,74,38,244.19
- Considered Doubtful	-	-
Outstanding for a period less than six months from the date they were due for payment		
<b>Secured</b>		
- Considered Good	-	-
- Considered Doubtful	-	-
<b>Unsecured</b>		
- Considered Good	-	4,19,53,010.07
- Considered Doubtful	8,92,16,574.26	-
	9,73,53,063.38	8,93,91,254.26
<b>Trade receivables includes :</b>		
Dues from related party	-	-
Other Receivables	<b>9,73,53,063.38</b>	<b>8,93,91,254.26</b>
<b>NOTE 9 : CURRENT FINANCIAL ASSETS : CASH AND CASH EQUIVALENTS</b>		
Balance with banks :		
In current account	4,187.65	6,127.10
Cash on hand	2,30,003.08	1,27,900.08
	<b>2,34,190.73</b>	<b>1,34,027.18</b>
<b>NOTE 10 : CURRENT FINANCIAL ASSETS : OTHER BANK BALANCES</b>		
Fixed deposits placed with government authorities (With Maturity of 3 to 12 Months)	-	12,94,929.53
	-	<b>12,94,929.53</b>

Particulars	As at March 31, 2020	As at March 31, 2019
<b>NOTE 11 : CURRENT FINANCIAL ASSETS : LOANS</b>		
(Unsecured, Considered good)		
Loans and Advances to Employees	3,75,000.00	27,413.85
	<b>3,75,000.00</b>	<b>27,413.85</b>
<b>NOTE 12 : CURRENT FINANCIAL ASSETS : OTHERS</b>		
Security Deposit	9,70,509.00	10,70,509.00
	<b>9,70,509.00</b>	<b>10,70,509.00</b>
<b>NOTE 13 : CURRENT ASSETS : OTHERS</b>		
Prepaid Expenses	37,510.52	45,367.00
Advance to Chandan Automobile for Property	50,00,000.00	-
Receivable from Bajaj Finance	39,578.00	-
Advance to Vendor	69,75,414.00	-
Miscellaneous Expenses	6,42,957.00	6,42,957.00
Balances with Government Authorities	42,99,051.00	73,44,971.96
Interest Subsidy receivable	40,36,911.83	40,36,911.83
SME Listing Subsidy receivable	5,00,000.00	5,00,000.00
Energy saving Subsidy receivable	10,00,000.00	10,00,000.00
	<b>2,25,31,422.35</b>	<b>1,35,70,207.79</b>
<b>NOTE 14 : SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL</b>		
1,20,00,000 (Previous Year 1,20,00,000) Equity Shares of Rs. 10 each	12,00,00,000.00	12,00,00,000.00
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP SHARE CAPITAL</b>		
10006667 (Previous Year 10006667) Equity Shares of Rs. 10 each	10,00,66,670.00	10,00,66,670.00
	<b>10,00,66,670.00</b>	<b>10,00,66,670.00</b>
(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :		
Outstanding at the beginning of the year	1,00,06,667.00	75,05,000.00
Add : Issued During the year	-	25,01,667.00
Outstanding at the end of the year	<b>1,00,06,667.00</b>	<b>1,00,06,667.00</b>
(ii) Terms/Rights attached to Equity Shares :		
The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share.		
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.		

Particulars	As at March 31, 2020	As at March 31, 2019
(iii) Details of Shareholders holding more than 5 per cent equity shares:		
1. Bharat Kumar Parsotam Das Patel	13,44,655	17,58,148
Nos.	13.44%	17.57%
% Holding		
2. Bhikhaji Kacharaji Chavda	8,96,666	8,96,666
Nos.	8.96%	8.96%
% Holding		
3. Vaghela Beena Pravinshih	7,34,756	7,34,756
Nos.	7.34%	7.34%
% Holding		
4. SNB Corporation Private Limited	4,82,556	5,55,556
Nos.	4.82%	5.55%
% Holding		

**(iv) Shares allotted as fully Paid up**

During the year 2018-19 the Company had allotted 2501667 equity shares as fully paid up bonus shares by capitalisation of Retained Earnings of Rs. 25016667.

**(iv) Warrants**

During the year 2018-19 the Company had forfeited warrants of Rs. 10062500.00 as shareholders having right to exercise the option have not exercised option in time.

Particulars	As at March 31, 2020	As at March 31, 2019
<b>NOTE 15 : OTHER EQUITY</b>		
Money Received Against Share Warrant		
<b>Opening Balance</b>	-	1,00,62,500.00
Less Share Warrants forfeited	-	(1,00,62,500.00)
	-	-
<b>Securities Premium Reserve</b>		
Opening balance	1,10,25,000.00	1,10,25,000.00
Add: Addition during the Year	-	-
Closing balance	<b>1,10,25,000.00</b>	<b>1,10,25,000.00</b>
<b>Capital Reserve</b>		
Opening balance	15,00,000.00	15,00,000.00
Add: Addition during the Year	-	-
Closing balance	<b>15,00,000.00</b>	<b>15,00,000.00</b>
<b>Share Warrants Forfeited</b>		
Opening balance	1,00,62,500.00	-
Add: Addition during the Year	-	1,00,62,500.00
Closing balance	<b>1,00,62,500.00</b>	<b>1,00,62,500.00</b>
<b>Retained Earnings</b>		
Opening balance	1,10,48,378.28	3,49,12,654.00
Add: Profit for the year	17,55,652.03	11,52,394.28
Less Bonus Shares issued	-	(2,50,16,670.00)
Closing balance	<b>1,28,04,030.31</b>	<b>1,10,48,378.28</b>
<b>Other Comprehensive Income</b>		
Opening Balance	86,30,689.00	27,50,972.00
Add: Movement in OCI (NET)	(66,62,897.10)	58,79,717.00
Closing balance	19,67,791.90	86,30,689.00
Total Balance of Other Equity	<b>3,73,59,322.21</b>	<b>4,22,66,567.28</b>

**NOTE 16 : NON- CURRENT FINANCIAL LIABILITIES : BORROWINGS**

Secured - Measured at Amortised Cost		
Term loans from HDFC	3,83,173.62	50,65,732.84
Unsecured - Measured at Amortised Cost		
Term loans from Bajaj Finance	-	11,85,416.00
	<b>3,83,173.62</b>	<b>62,51,148.84</b>

1. The above loans are secured by -

- HDFC Term Loan is secured by way of first mortgage / charge on the stock Book Debt and Plant & Machineries , second charge on the immovable properties situated at post ujedia 1 Talod and at C-102 Krushna Kunj infocity Gandhinagar.
- Due to Lockdown in March 2020 and non availability of funds company has as per RBI Guidelines avail the moratorium and not paid the installment of Rs 124161.00 and Interest of Rs. 15894.00 for the Month of March,2020.
- Loan from Bajaj Finance is unsecured.

	ROI	2020-21	2021-22	2022-23
HDFC Term Loan 6008	9.15%	30,54,572.00	-	-
HDFC Term Loan 7028	9.15%	16,47,476.00	3,99,053.00	-
Bajaj Finance	18.25%	13,80,451.00	-	-

Particulars	As at March 31, 2020	As at March 31, 2019
<b>NOTE 17 : NON-CURRENT FINANCIAL LIABILITIES - DEFERRED TAX LIABILITIES (NET)</b>		
Deferred tax liability		
<b>Opening Balance</b>	81,06,563.00	71,60,017.00
Property Plant & Equipment	4,17,425.00	4,80,053.00
Others	(4,768.00)	-
Current Investments	(10,84,628.00)	4,66,493.00
Gross deferred tax liability	74,34,592.00	81,06,563.00
Net deferred tax liability	<b>74,34,592.00</b>	<b>81,06,563.00</b>

Particulars	As at March 31, 2020	As at March 31, 2019
<b>NOTE 18 : CURRENT FINANCIAL LIABILITIES :</b>		
<b>Borrowings</b>		
<b>Secured- At Fair Value</b>		
Working Capital CC	1,35,61,929.79	1,46,76,862.15
<b>unsecured loan - At Fair Value</b>		
Unsecured loan from Directors Promoters and Relatives	1,18,20,511.91	42,77,949.25
	<b>2,53,82,441.70</b>	<b>1,89,54,811.40</b>
17.1. Working Capital Loan of Rs 175 Lacs is secured by way of hypothecation of stock, Book Debts.		
17.2. Unsecured Loan is taken from Promoter Directors, and Relatives.		
<b>NOTE 19 : TRADE PAYABLES</b>		
Micro, Small and Medium Enterprises	-	-
Others	4,01,67,499.12	4,87,17,260.42
	<b>4,01,67,499.12</b>	<b>4,87,17,260.42</b>
Disclosure as required by MSMED Act, 2006 is as under:-		
(a) Payable to MSMED		
against Principal	-	-
against interest	-	-
(b) Interest Paid under section 16 of MSMED ACT, 2006	-	-
(c) Interest due and payable	-	-
(d) Amount of further interest accrued and remaining due and payable even in succeeding years, until such date when interest dues above are actually paid to the small enterprises for the purpose of disallowance of deductible expenditure under section 23 of MSMED Act, 2006	-	-
	-	-
<b>NOTE 20 : CURRENT FINANCIAL LIABILITIES : OTHERS</b>		
Interest Payable on Bajaj Finance loan	15,894.00	-
Current maturities of long-term debt <sup>1</sup>	60,59,222.00	72,35,724.00
	<b>60,75,116.00</b>	<b>72,35,724.00</b>
<sup>1</sup> For details of Security of Current Maturities of Long Term Borrowings, refer note 16 "Non current financial liabilities - borrowings".		
<b>NOTE 21 : CURRENT LIABILITIES : OTHERS</b>		
Advances from customers	-	-
Statutory liabilities	75,35,792.20	98,09,492.12
Outstanding Expenses	13,30,516.73	25,60,805.85
	<b>88,66,308.93</b>	<b>1,23,70,297.97</b>
* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.		
<b>NOTE 22 : Current Tax Liabilities (net)</b>		
Current Tax Liabilities (net)	1,76,062.00	87,797.75
	<b>1,76,062.00</b>	<b>87,797.75</b>
<b>22.1. INCOME TAX EXPENSE</b>		
	<b>Year ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<b>(a) Tax expense recognised in profit and loss:</b>		
Current taxes	1,76,062.00	87,797.75
Deferred Tax liability / (asset)		
Relating to origination and reversal of temporary differences	4,12,657.00	(6,96,065.00)
Mat credit utilized	-	(87,797.75)
Income Tax Expense reported in Statement of Profit or Loss	5,88,719.00	(6,96,065.00)
<b>(b) Tax expense recognised in other comprehensive income:</b>		
Income tax relating to items that will not be reclassified to profit or loss	(10,84,628.00)	4,66,493.00
Income Tax Expense reported in OCI	<b>(10,84,628.00)</b>	<b>4,66,493.00</b>

(c) The income tax expenses for the year can be reconciled to the accounting profit as follows :

<b>PARTICULARS</b>	<b>Year ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
Profit before Tax	2332324.03	456329.28
Applicable tax rate	19.24%	19.24%
Computed Tax expense	448739.14	87797.75
<b>Tax Effect of :</b>		
Expenses disallowed	303429.04	-
Expenses allowed	(5,76,106.21)	-
Income on which different tax rate applicable		-
Mat credit utilized	-	(87,797.75)
<b>Current Tax Provision( A)</b>	<b>176061.97</b>	<b>0.00</b>
Incremental Deferred Tax provision on account of Tangible and Intangible Assets	4,12,657.00	(6,96,065.00)
Incremental Deferred Tax provision on account of Financial Assets and other Items	(10,84,628.00)	4,66,493.00
<b>Deferred tax Provision (B)</b>	<b>(6,71,971.00)</b>	<b>(2,29,572.00)</b>

  

<b>Particulars</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
<b>Note 23 : Revenue from operations</b>		
<b>A. Sales of products and Services</b>		
Finished Goods (Net of Excise Duty)	6,92,00,182.00	14,23,76,449.93
Traded Goods	-	56,22,480.00
	<b>6,92,00,182.00</b>	<b>14,79,98,929.93</b>
<b>B. Sales of Services</b>		
Sale of Service	10,85,260.00	-
	<b>10,85,260.00</b>	-
<b>Total (A+B)</b>	<b>7,02,85,442.00</b>	<b>14,79,98,929.93</b>
<b>NOTE 24 : OTHER INCOME</b>		
Net gain on Current Investments	-	8,80,707.77
GEB Subsidy on Electric Duty	-	42,704.66
Interest Subsidy	-	6,94,327.83
Interest on FDR	35,397.01	2,61,263.33
Other Interest	904.00	-
Other Income	-	35,295.00
Energy Subsidy Income	7,22,831.92	-
Excess Provision of Income Tax Written Back	29,94,314.60	-
Dividend	-	500.00
Bad Debt Recovery	1,98,000.00	42,54,500.00
Kasar	18,49,903.84	1,84,390.78
<b>Total Other income</b>	<b>58,01,351.37</b>	<b>63,53,689.37</b>
<b>Note 24.1</b>		
Gain on sale of Equity Shares	-	8,80,707.77
	-	<b>8,80,707.77</b>
<b>Note 24.2 : Interest Income comprises of:-</b>		
Interest Subsidy Income	-	6,94,327.00
Interest on deposits with banks	35,397.01	2,61,263.00
	<b>35,397.01</b>	<b>9,55,590.00</b>
<b>NOTE 25 : COST OF MATERIALS CONSUMED</b>		
Opening Inventory	1,07,48,669.53	1,56,59,491.43
Add Purchases During The Year	4,60,03,851.43	13,22,49,186.36
Less Closing Inventory	-86,76,947.73	1,07,48,669.53
<b>Total Cost of Raw Material Consumed</b>	<b>4,80,75,573.23</b>	<b>13,71,60,008.26</b>



Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>NOTE 26 : PURCHASE OF TRADED GOODS</b>		
Purchase of Traded Goods	24,568.50	1,30,99,462.85
	<b><u>24,568.50</u></b>	<b><u>1,30,99,462.85</u></b>
<b>NOTE 27 : CHANGES IN INVENTORIES</b>		
Opening Stock	3,45,10,988.27	1,20,73,580.35
Less: Closing Stock	2,12,73,075.39	3,45,10,988.27
(Increase) / Decrease in Inventories	<u>1,32,37,912.88</u>	<u>2,24,37,407.92</u>
<b>NOTE 28 : EMPLOYEE BENEFIT EXPENSE</b>		
Salaries wages and allowances	8,96,045.00	32,35,315.00
Contract Labour	-	1,17,025.00
Directors Remuneration	9,90,000.00	15,90,000.00
Contribution to provident and other funds	41,616.00	1,57,172.00
Staff welfare expenses	64,135.00	1,66,972.00
<b>Employee benefit expense</b>	<b><u>19,91,796.00</u></b>	<b><u>52,66,484.00</u></b>
<b>NOTE 29 : FINANCE COSTS</b>		
Interest on borrowings	33,34,049.78	32,58,923.24
Loan Processing Charges	63,921.00	31,874.00
Other Bank Charges	2,69,981.87	11,79,738.89
<b>Finance costs</b>	<b><u>36,67,952.65</u></b>	<b><u>44,70,536.13</u></b>
<b>NOTE 3 : DEPRECIATION &amp; AMORTSITATION COST</b>		
Depreciation	35,36,301.00	38,58,415.35
<b>Depreciation &amp; Amortsitation Cost</b>	<b><u>35,36,301.00</u></b>	<b><u>38,58,415.35</u></b>
<b>NOTE 30 : OTHER EXPENSES</b>		
Consumption of Store & Spares, Packing Matrial & Gas	-	3,353.00
Freight & Transport	30,340.00	51,973.00
Power & Fuel	11,54,516.32	17,78,434.04
Rent	90,000.00	3,60,000.00
Repairs	1,35,378.43	2,60,684.08
Insurance	88,260.48	2,18,780.54
Factory expenses	44,461.00	2,20,582.00
Security Charges		
Administrative Charges	1,48,871.76	8,25,532.47
Auditors Remuneration	1,62,000.00	4,73,474.58
ISO Audit Expense	34,438.00	-
Issue Expense	1,34,500.00	1,87,526.00
Excise Recovery Expense	-	500.00
Other Direct Exps	-	2,270.00
Packing exps	-	28,588.00
Legal Fees	2,13,800.00	2,83,475.00
Donation	-	9,903.00
Interest on TDS	-	10,938.82
Miscellaneous Exp written off	6,42,957.00	6,42,148.00
Listing Fees	3,09,341.30	8,78,559.00
Advertisement Exp	28,000.00	27,220.00
PF Administrative Charges	3,500.00	14,807.00
Round off	0.79	2.04
Others	-	11,76,118.00
Bad Debts	-	50,23,922.78
	<b><u>32,20,365.08</u></b>	<b><u>1,24,78,791</u></b>

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>NOTE 30.1: PAYMENT TO AUDITORS</b>		
Auditors' remuneration includes the following amounts paid or adjusted as paid to them during the Period/year :		
(a) As Auditors - Statutory Audit (including taxes)	1,50,000.00	4,00,000.00
(b) for other services (including taxes)	-	-
	<b>1,50,000.00</b>	<b>4,00,000.00</b>
<b>NOTE 31 : EARNINGS/(LOSS) PER SHARE (EPS)</b>		
Profit / (Loss) after tax attributable to equity shareholders (Amt in INR)	-38,22,617.07	70,32,111.28
Nominal Value of equity share (INR)	10.00	10.00
Weighted average number of ordinary equity shares for Basic EPS (Nos)	1,00,06,666	1,00,06,667
Basic / Diluted EPS (INR)	-0.38	0.70

31.1. During the year 2018-19 company has issued the bonus shares so weighted average of no of shares of preceeding year has been adjusted accordingly.

**NOTE 32 : CORPORATE SOCIAL RESPONSIBILITY**

As company is not eligible for CSR expenditure so it has not done any provision.

Particulars	As at March 31, 2020	As at March 31, 2019
<b>NOTE 33 : CONTIGENT LIABILITIES</b>		
(i) Guarantees given by bankers on behalf of the Company Guarantees BSE Ltd for Security	1,00,000.00	1,00,000.00

**NOTE 34 : RELATED PARTY TRANSACTIONS:**
**(A) Name of related parties and description of relationship :**

Sr. No.	Relationship	
1	Key Management Personnel	Beena P Vaghela Bharat P Patel Saurabh R Patel Surendrasingh Vaghela Ritendra Singh Rathod BK Chavda BK Chavda HUF

**(B) Related Party Transactions :**
**Particulars**

(a) Volume of Transactions :	Key Management Personnel Year ended March 31, 2020	Year ended March 31, 2019
<b>Remuneration</b>		
Beena P Vaghela	-	-
Bharat P Patel	-	1,50,000
Saurabh R Patel	4,50,000	6,00,000
Surendrasingh Vaghela	4,50,000	6,00,000
Ritendra Singh Rathod	90,000	2,40,000
	-	1,10,600
<b>Rent</b>		
Beena P Vaghela	99,000	3,60,000
<b>Unsecured Loans Net</b>		
Surendra P Vaghela	21,80,913	-
Beena P Vaghela	58,65,650	16,27,000
Saurabh R Patel	(5,00,000)	5,00,000
BK Chavda	-	6,00,000
BK Chavda HUF	-	7,00,000

b) Balances at the year end	Balance as at March 31, 2020	Balance as at 3/31/2019
<b>Due to</b>		
Beena P Vaghela	87,92,650	18,70,000
Bharat P Patel	-	2,50,000
Saurabh R Patel	-	7,50,000
Surendrasingh Vaghela	30,27,862	90,000
BK Chavda	-	6,00,000
BK Chavda HUF	-	7,00,000

**NOTE 35 : FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT****A. Accounting classification and fair values**

	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amotised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 Significant unobservable inputs	
<b>March 31, 2020</b>								
<b>Financial assets measured at each reporting date</b>								
Investments	-	74,20,450.00	-	74,20,450.00	74,20,450.00	-	-	74,20,450.00
<b>Financial assets measured at amortised cost</b>								
Loans (non-current)	-	-	-	-	-	-	-	-
Loans (current)	-	-	3,75,000.00	3,75,000.00	-	-	-	-
Other current financial assets	-	-	2,35,01,931.35	2,35,01,931.35	-	-	-	-
Trade and other receivables	-	-	9,73,53,063.38	9,73,53,063.38	-	-	-	-
Cash and cash equivalents	-	-	2,34,190.73	2,34,190.73	-	-	-	-
Other bank balances	-	-	-	-	-	-	-	-
	-	74,20,450.00	12,14,64,185.46	12,88,84,635.46	74,20,450.00	-	-	74,20,450.00
<b>Financial liabilities measured at amortised cost</b>								
Non current borrowings	-	-	3,83,173.62	3,83,173.62	-	-	-	-
Trade and other payable	-	-	4,01,67,499.12	4,01,67,499.12	-	-	-	-
Other Current financial liabilities	-	-	1,49,41,424.93	1,49,41,424.93	-	-	-	-
	-	-	5,54,92,097.67	5,54,92,097.67	-	-	-	-
<b>March 31, 2019</b>								
<b>Financial assets measured at each reporting date</b>								
Investments	-	2,24,53,195.50	-	2,24,53,195.50	2,24,53,195.50	-	-	2,24,53,195.50
<b>Financial assets measured at amortised cost</b>								
Loans (non-current)	-	-	-	-	-	-	-	-
Loans (current)	-	-	27,413.85	27,413.85	-	-	-	-
Other current financial assets	-	-	1,46,40,716.79	1,46,40,716.79	-	-	-	-
Trade and other receivables	-	-	8,93,91,254.26	8,93,91,254.26	-	-	-	-
Cash and cash equivalents	-	-	1,34,027.18	1,34,027.18	-	-	-	-
Other bank balances	-	-	12,94,929.53	12,94,929.53	-	-	-	-
	-	2,24,53,195.50	10,54,88,341.61	12,79,41,537.11	2,24,53,195.50	-	-	2,24,53,195.50
<b>Financial liabilities measured at amortised cost</b>								
Non current borrowings	-	-	62,51,148.84	62,51,148.84	-	-	-	-
Trade and other payable	-	-	4,87,17,260.42	4,87,17,260.42	-	-	-	-
Other Current financial liabilities	-	-	1,96,06,021.97	1,96,06,021.97	-	-	-	-
	-	-	7,45,74,431.23	7,45,74,431.23	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

**B. Valuation technique used to determine fair values**

Specific valuation techniques used to value investment in mutual funds includes the use of quoted market price or dealer quotes for similar instruments

Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods

**Transfer out of Level 3**

There were no movement in level 3 in either directions during 2019-20 and the year 2018-19.

**C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

**i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

**Other financial assets**

The company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Risk Management Committee.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables.

At March 31, 2020 the maximum exposure to credit risk for trade and other receivables by geographic region was as follows.

	<b>Carrying amount (in INR)</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
India	-	8,939.12
Other regions	-	-
		<b>8,939.12</b>

**Impairment**

At March 31, 2019, the ageing of trade and other receivables that were not impaired was as follows.

Neither past due nor impaired

Past due 1–30 days	1,227.96
Past due 31–90 days	1,450.07
Past due 91–120 days	841.33
More than 120 days	5,419.76
	<b>8,939.12</b>

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

**iii. Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to interest rate risks.

**iv. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintains the following lines of credit. INR 23745006/- Term Loan facility that is secured and INR 3005500/- Term Loan is unsecured. Interest would be payable at the rate of 9.15% on secured and 18.25 on unsecured Loans.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2020	Contractual cash flows					
	Carrying amount	Total	Less than 12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>						
Non current borrowings	3,83,173.62	3,83,173.62	-	3,83,173.62	-	-
Trade and other payables	4,01,67,499.12	4,01,67,499.12	4,01,67,499.12	-	-	-
Other current financial liabilities (current portion of non current liabilities)	60,75,116.00	60,75,116.00	60,75,116.00	-	-	-
<b>Total</b>	<b>4,66,25,788.74</b>	<b>4,66,25,788.74</b>	<b>4,62,42,615.12</b>	<b>3,83,173.62</b>	-	-
<b>March 31, 2019</b>						
<b>Non-derivative financial liabilities</b>						
Non current borrowings	62,51,148.84	62,51,148.84	-	62,51,148.00	-	-
Trade and other payables	4,87,17,260.42	4,87,17,260.42	4,87,17,260.42	-	-	-
Other current financial liabilities (current portion of non current liabilities)	72,35,724.00	72,35,724.00	72,35,724.00	-	-	-
<b>Total</b>	<b>6,22,04,133.26</b>	<b>6,22,04,133.26</b>	<b>5,59,52,984.42</b>	<b>62,51,148.00</b>	-	-

**v. Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company do not have any borrowings at fixed rate and has not entered into interest rate swaps for its exposure to long term borrowings at floating rate

**Exposure to interest rate risk**

Variable-rate instruments	31st March 2020	31st March 2019
Non current - Borrowings	3,83,173.62	62,51,148.84
Current portion of Long term borrowings	60,59,222.00	72,35,724.00
<b>Total</b>	<b>64,42,395.62</b>	<b>1,34,86,872.84</b>

**Cash flow sensitivity analysis for variable-rate instruments**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not have any designate derivatives (interest rate swaps) . Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

Particulars	Profit or (Loss)		Equity (net of tax)	
	100 bp Increase	100 bp decrease	100 bp Increase	100 bp decrease
<b>31st March 2020</b>				
Non current - Borrowings	(3,831.74)	3,831.74	(2,835.48)	2,835.48
Current portion of Long term borrowings	(60,592.22)	60,592.22	(44,838.24)	44,838.24
<b>Total</b>	<b>(64,423.96)</b>	<b>64,423.96</b>	<b>(47,673.73)</b>	<b>47,673.73</b>
<b>31st March 2019</b>				
Non current - Borrowings	(62,511.49)	62,511.49	(46,258.50)	46,258.50
Current portion of Long term borrowings	(72,357.24)	72,357.24	(53,544.36)	53,544.36
<b>Total</b>	<b>(1,34,868.73)</b>	<b>1,34,868.73</b>	<b>(99,802.86)</b>	<b>99,802.86</b>

**NOTE 36 : CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and- Maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at March 31, 2020 was as follows.

	31st March 2020	31st March 2019
Interest bearing liabilities	64,42,395.62	1,34,86,872.84
Less : Cash and cash equivalent	2,34,190.73	1,34,027.18
Adjusted net debt	62,08,204.89	1,33,52,845.66
Total equity	13,74,25,992.21	14,23,33,237.28
Adjusted net debt to adjusted equity ratio	<b>0.05</b>	<b>0.09</b>

**Note 37 : OTHER NOTES**

- (i) All the employees of the Company are on contractual basis and less than five years of service therefore no provision is required to be made in respect of Employee Benefits.
- (ii) In the opinion of the board current assets, loans and advances and other receivables have value on realisation in ordinary course of business at least equal to the value at which they are stated in the balance sheet.
- (iii) The Company has not proposed any dividend for the financial year 2019-20
- (iv) CIF value of imports are NIL ( Previous Year NIL)
- (v) Expenditure incurred in Foreign Currency is Rs. NIL(Previous Year NIL), Purchase of Raw Material in foreign currency Rs. NIL (Previous Year NIL) and income in foreign currency is Rs. NIL (Previous Year NIL)
- (vi) Contingent Liabilities as on 31st March, 2020 is Rs. NIL (Previous Year NIL)
- (vii) There is no pending litigation by or against the Company as on 31st March,2020 (Previous Year NIL)
- (viii) There is no amount which is required to be transferred to Investor Education and Protection Fund as on 31st March,2020 (Previous Year NIL)
- (ix) The Company has reviewed carrying value of its assets as on 31st March,2020 but there is no impairment noticed.
- (x) The Company is operating in single segment therefore segment reporting is not applicable to the Company.

(xi) Disclosure as required by Rule 16 A of The Companies (Acceptance of Deposits) Rules ,2014

<b>Balances at the year end</b>	<b>Balance as at March 31, 2020</b>	<b>Balance as at March 31, 2019</b>
<b>Due to :</b>		
Directors:		
Beena P Vaghela	87,92,650	18,70,000
Bharat P Patel	-	2,50,000
Saurabh R Patel	-	7,50,000
Surendrasingh Vaghela	30,27,862	90,000
BK Chavda	-	6,00,000
BK Chavda HUF	-	7,00,000

(xii) Previous year's figures have been regrouped, reclassified and recasted wherever necessary to correspond with current year's classification/ disclosure.

**NOTE 38 : IMPACT OF COVID 19 ON FINANCIAL STATEMENTS**

The Company has considered the possible effects of the COVID 19 on the carrying value of current assets and assessed the carrying amounts of Property , plant and equipments , investments , inventories , receivables and other current assets . Based on the internal and external sources of information and economic forecasts, the Company expects that the carrying value of these assets will be recovered and sufficient liquidity would be available as and when required to fund the business operations. The Company continues to assess the cash flow and liquidity position in both normal and stressed conditions. The Company has availed moratorium from lenders and will continue to serve its debt obligations. The Management does not see any risk to the Company's ability to continue as a going concern and meet its liabilities as and when they became due based on the current indicators. A definitive assessment of the impact at this stage is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Company is continuously monitoring changes in such information and economic conditions and forecasts.

**AS PER OUR REPORT OF EVEN DATE ATTACHED For & On behalf of the Board of Directors**  
**FOR P SINGHVI & ASSOCIATES**

**Chartered Accountants**

FRN 113602W

sd/-  
**(PRAVEEN SINGHVI)**  
 Partner

**M. NO. 071608**  
 UDIN: 20071608AAAADT1930

**PLACE : GANDHINAGAR**  
**DATE : 29TH JUNE, 2020**

sd/-  
**(SAURABH R. PATEL)**  
 Chairperson & Managing Director  
 (DIN: 06964670)

sd/-  
**(YASH JOSHI)**  
 Director and CFO  
 (DIN: 07397444)

sd/-  
**(SURENDRASINH P. VAGHELA)**  
 Managing Director  
 (DIN : 06415080)

sd/-  
**(RITENDRASINGH RATHOD)**  
 Company Secretary

**PLACE : GANDHINAGAR**  
**DATE : 29TH JUNE, 2020**



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

**Ph. : 079-23242052**

**Website : [www.umiyatubes.com](http://www.umiyatubes.com)**