



Riddhi

Steel & Tube Limited

17th

Annual Report

2017-18

RIDDHI STEEL AND TUBE LIMITED
CORPORATE INFORMATION

BOARD OF DIRECTORS:

Rajesh R. Mittal
Managing Director

Preeti R. Mittal
Chief Financial Officer & Director

INDEPENDENT DIRECTORS

Shankar Prasad Bhagat
Paras Kumarpal Shah
Saurin Shailesh Shah

COMPANY SECRETARY & COMPLIANCE OFFICER

Nikhil M. Vadera

STATUTORY AUDITOR

Y.J MALKANI & CO.
Chartered Accountants
403, "Ashwamegh house",
Choice Restaurant's Street
Swastik Char Rasta, Navrangpura,
Ahmedabad - 380009

AUDIT COMMITTEE

Mr. Paras K. Shah, Chairman
Mr. Shankar Prasad Bhagat, Member
Mr. Saurin S. Shah, Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Paras K. Shah, Chairman
Mr. Shankar Prasad Bhagat, Member
Mr. Saurin S. Shah, Member

BANKERS

City Union Bank
Navrangpura Branch - Ahmedabad

REGISTERED OFFICE

83/84, Village - Kamod, Piplaj, Pirana Road,
Post -Aslali, Ahmedabad - 382427, Gujarat
E-mail: info@riddhitubes.com
Website: <http://www.riddhitubes.com/>

SECRETARIAL AUDITOR

Siddharth N. Maniar
Practicing Company Secretary
B-5, Sankalp Flats, Ambawadi Bazar,
Ellisbridge, Ahmedabad - 380006

REGISTRAR & TRANSFER AGENT

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032, India
Tel: +91 - 40 - 67162222
Fax: +91 - 40 - 2343 1551
Website: www.karisma.karvy.Com
SEBI Registration No: INR000000221

STOCK HOLDER RELATIONSHIP COMMITTEE

Mr. Paras K. Shah, Chairman
Mr. Shankar Prasad Bhagat, Member
Mr. Saurin S. Shah, Member

CORPORATE IDENTIFICATION NUMBER

L27106GJ2001PLC039978
Scrip Code At BSE : 540082
ISIN : INE367U01013

17th Annual General Meeting
Date: 27th September 2018
Time: 11:00 AM
Venue: Registered Office
83/84, Village - Kamod, Piplaj Pirana Road,
Post - Aslali,
Ahmedabad GJ 382427 In

IMPORTANT COMMUNICATION TO MEMBERS

Pursuant to section 101 and 136 of the Companies Act, 2013 read with companies (management and administration) rules, 2014, and under regulation 36 of Securities and Exchange Board of India (listing obligation and disclosure requirements) regulation 2015, annual report of the company has been sent through email to those members whose email id is registered with the company / depository, in case any member wants a physical copy of the annual report he may write to the company secretary / RTA.

As a measure of economy copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copy to the meeting.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESS ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESS EITHER WITH THE DEPOSITORIES OR WITH THE COMPANY.

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NOTICE

Notice of 17th Annual General Meeting

Notice is hereby given that the seventeen annual general meeting of the members of **RIDDHI STEEL AND TUBE LIMITED** will be held on Saturday 27th day of September, 2018 at 11.00 A.M. at the Registered Office of the company, situated at 83,84, Village Kamod, Piplaj-Pirana Road, Post-Aslali, Ahmedabad - 382 427, Gujarat, India to transact the following business.

Ordinary Business:

1. To receive, consider and adopt Audited Financial Statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION:
Re-Appoint Mrs. Preeti Rajesh Mittal, Executive Director of the company, liable to retire by rotation in term of section 152(6) of the Companies act, 2013 and being eligible herself for reappointment.
3. To ratify the appointment of the statutory auditors of the company, and to fix their remuneration and to pass the following resolution as ordinary resolution:

"RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder, appointment of M/s. Y. J. Malkani & Co., Chartered Accountants (FRN: 143143W) as Auditors of the Company made in the 16th Annual General Meeting (AGM) held on 9th September, 2017 for the period from the conclusion of that 16th AGM till the conclusion of the 21st AGM be and is hereby ratified.

Special Business:

4. **Payment and Ratification of remuneration to Cost Auditors for the financial year ending 31st March, 2019 and in this regard to consider and in this regard to consider and, if through fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 (3) and all other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Mayur Chhaganbhai Undhad, Cost Accountants in practice, having Firm Registration Number 103961 appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2018-19, of Rs 22,000/- (Rupees Twenty Two Thousand Only) plus taxes applicable and reimbursement out of pocket expenses incurred by them, in connection with the aforesaid audit are and is hereby ratified and confirmed."

5. **To appoint Mr. Kirankumar Agrawal (DIN: 08105221) as Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Kirankumar Agrawal (DIN: 08105221), who was appointed as an Additional & Independent Director of the Company with effect from 7th April, 2018 be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 years with effect from 7th April, 2018."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

30th August 2018
Ahmedabad

for and on behalf of the Board

SD/-
Rajeshkumar Mittal
(DIN- 00878934)
Managing Director

Registered Office
83, 84, Village Kamod,
Piplaj-Pirana Road, Post -Aslali,
Ahmedabad- 382 427

Notes

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Shareholder.
A proxy form is attached with this Annual Report.
2. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organization.
3. Corporate members intending to send their authorized representative to attend the Meeting are requested to send to the company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting together with the specimen signature(s) if the representative(s) authorized under the said Board Resolution.
4. In case of joint holders attending the Meeting, only such joint holder who is upper in the order of names will be entitled to vote.
5. The explanatory statements pursuant to Section 102 of Companies Act, 2013 relating to special business are annexed.
6. Members intending to require information about Accounts to be explained in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
7. The information required under Regulation 36 of SEBI (LODR) Regulations, 2015 on Directors' re-appointment/ appointment are given below and form part of the Notice.
8. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
9. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days during business hours up to the date of the Meeting.
10. The Company has notified closure of Register of Members and Share Transfer Books from 22nd September 2018 to 27th September 2018 (both days inclusive).
11. Members can avail the nomination facility by filing Form No. SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19 (1) of the Companies (Share Capital and debentures) Rules 2014 with the Company. Blank forms will be supplied on request.
12. Mrs. Preeti Rajesh Mittal directors retire by rotation and being eligible; offer themselves for re-appointment at the Annual general Meeting. A brief resume of the said director is given below.

Name of Director	PREETI RAJESH MITTAL
DIN	01594555
Date of Birth	23/01/1973
Date of Appointment	08/01/2016
Qualification	Under Graduate
Expertise in Specific functional areas	Experience in the business and Industry
Directorship held in other companies	RIDDHI PROCON PRIVATE LIMITED
	RIDDHI SPINNERS PRIVATE LIMITED
	RIDDHI TRADELINK LLP
Memberships/Chairpersonships of committees of Board	No Memberships / Chairmanships of Committees of other Companies
Number of shares held in the Company	2957004

13. Voting through electronic means:
Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
14. A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:

- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) "9999" followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - iii. After entering these details appropriately, click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e., "Name of the Company"
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email SCRUTINIZER@EMAIL.COM with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name Event No."
- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/ Depository Participants (s)]:
- i. E-Voting Event Number - 9999 (EVEN), User ID and Password is provided in the Attendance Slip.
 - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
- II. Voting at AGM: The Members, who have not cast their vote through Remote e-voting, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for physical ballot voting through Ballot Box shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.
15. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
16. OTHER INSTRUCTIONS
- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. B. Venkata Kishore (Unit: Tanla Solutions Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040-6716 2222 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
 - b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future

communication(s).

- c. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 20th September, 2018, he/she may obtain the User ID and Password in the manner as mentioned below :
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may sendSMS:
MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
Example for NSDL:
MYEPWD <SPACE> IN30039412345678 (DP-ID + CL-ID)
Example for CDSL:
MYEPWD <SPACE> 1202300012345678 (16 DIGITS NUMERIC)
Example for Physical:
MYEPWD <SPACE> XXXX1234567890 (EVEN NO + FOLIO NO.)
- j. If e-mail address or mobile number of the member is registered against Folio No / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- ii. Member may call Karvy's toll free number 1800-3454-001.
- iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavor to send User ID and Password to those new Members whose mail ids are available.

**Annexure To Notice Explanatory Statement
(Pursuant to Section 102(1) of the Companies Act, 2013)**

Item No. 4:

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s Mayur Chhaganbhai Undhah, Cost Accountant in Practice (Firm Reg. No. 103961), to conduct the audit of the cost records of the Company for the financial year ended March 31, 2019.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2018-19 as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends the Resolution set out at Item No. 4 of the Notice for approval by the Members.

Item No. 5:

The Board of Directors of the Company at their meeting held on 7th April, 2018 approving appointment of, Mr. Kirankumar Agrawal (DIN: 08105221), as Additional Director on the Board of the Company (designated as Independent and Additional Director) in accordance with the provisions contained in Section 149 of the Companies Act, 2013, subject to any regulatory approvals that may be required by operation of law.

Mr. Kirankumar Agrawal (DIN: 08105221), shall hold office up to the date of the Annual General Meeting and shall be eligible for election subject to the approval of the shareholders at this Annual General Meeting. Approval of the Members is required by way of an Ordinary Resolution for appointment of Mr. Kirankumar Agrawal (DIN: 08105221).

Mr. Kirankumar Agrawal (DIN: 08105221), is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from Mr. Kirankumar Agrawal (DIN: 08105221), that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mr. Kirankumar Agrawal (DIN: 08105221), fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Kirankumar Agrawal (DIN: 08105221), is independent of the management and possesses appropriate skills, experience and knowledge. Details of Mr. Kirankumar Agrawal (DIN: 08105221), are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

A Brief Resume of Mr. Kirankumar Agrawal, Independent Director, being appointed at the ensuing Annual General Meeting:	
Name	Kirankumar Agrawal
Age	33 Years
Qualifications	Graduate
Experience	5 Years
Terms and conditions of appointment including details of remuneration	Mr. Kirankumar Agrawal will hold the office of Independent Director for a period of Five years commencing from 7th April, 2018. Other terms And Conditions are mentioned in the appointment letter which is available for Inspection by Members on all working days except Holidays from 11:00 am to 05:00 pm at the end of the registered office of the company.
Last drawn remuneration	N.A
Date of first appointment by the Board of Directors of the Company	7th April, 2018
Shareholding in the Company	Nil
Relationship with other directors and Key Managerial of the Company	None
Number of meetings attended during the financial year 2017-18	Nil
Other directorship, membership / chairmanship of committees of other board	Nil
Justification for appointment of Independent Director	The appointment will be for the period mentioned against their respective names ("Term"). The Company may disengage Independent Directors prior to completion of the Term subject to compliance of relevant provisions of the 2013 Act. As Independent Directors, they will not be liable to retire by rotation. Reappointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders. The reappointment would be considered by the Board based on the outcome of the performance evaluation process and the directors continuing to meet the independence criteria. Appointment of Independent Director shall be done in accordance with the all the applicable laws of Companies Act 2013 and Listing Agreement entered by the Company with BSE Limited.

The Board of Directors recommends the resolution at Item No. 5 for the approval of the Members of the Company.

Mr. Kirankumar Agrawal (DIN: 08105221), is interested in the resolution to the extent of her appointment. None of the remaining Directors and their relatives is concerned or interested in the proposed resolution.

30th August 2018
Ahmedabad

for and on behalf of the Board

**SD/-
Rajeshkumar Mittal
(DIN- 00878934)
Managing Director**

Registered Office
83, 84, Village Kamod,
Piplaj-Pirana Road, Post -Aslali,
Ahmedabad- 382 427

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the 17th Annual report of the Company along with the Audited Financial Statements for the year ended 31st March 2018.

1. Financial Highlights (Standalone)

The Company's performance during the year ended 31st March, 2018 compared to the previous financial year, is summarized below:

Particulars	2017-18	2016-17
Gross Income		
Profit/(Loss) before Depreciation and Tax	8,11,10,301	7,45,43,746
Less: Depreciation	(3,28,19,216)	(3,30,21,511)
Profit/(Loss) before Tax and Extra Ordinary Items	4,82,91,085	4,15,22,235
Less: Extra Ordinary Items	-	-
Less: Current Tax	1,59,66,482	1,35,25,882
Deferred Tax	9,57,377	11,82,930
Prior Period Tax	-	-
Add/Less: MAT credit Entitlement	-	-
Profit/(Loss) After Tax	3,13,67,226	2,68,13,423
Brought forward balance of Profit & Loss A/c	17,89,90,864	15,21,77,441
Balance Carried to Balance Sheet	210,358,090	17,89,90,864

2. Financial Highlights & Operation:

During the Year under review, the total revenue from operations of your Company for the year 2017-18 has substantially increased at Rs. 26953.37 Lacs as against Rs. 24158.12 Lacs for the year 2015-16.

The PAT of your company stood at Rs. 313.67 Lacs as against Rs. 268.13 Lacs in previous financial year and hereby noticed the growth of Rs. 45.54 Lacs.

Your Directors have taken appropriate remedial action to mitigate the adverse circumstances for better performance and results during the current year.

Your Company has taken effective steps to improve its production and sales during the year under review.

The Company confirms that the annual listing fees to the stock exchange for the financial year 2017-18 are paid.

3. Share Capital:

The paid up equity capital as on March 31, 2018 was Rs. 829.03 Lacs during the year under review. The Company has not issued any shares with differential rights as to dividend, voting or otherwise.

4. Dividend:

With a view to conserve resources and expansion of business, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

5. Deposits:

During the year under review, your Company has not accepted any deposits from the public within the meaning/ambit of Section 73 of the Companies Act 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

6. Transfer To Reserves:

Your company has not transferred any amount to reserves during the year under consideration.

7. Internal Financial Controls:

Adequate internal control systems commensurate with the nature of the Company's business, its size, and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising policies and procedures are designed to ensure reliability off financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

8. Investor Services:

The Company and its Registrar, M/s. Karvy Computershare Private Limited, who is looking after the physical as well as Demat work and also shareholders correspondence in terms of SEBI direction for having a common Registrar and Share Transfer Agent, endeavored their best to service the

Investors satisfactorily. Your Company has constituted a Committee comprising of 3 Independent Directors of the Company to redress the Investor grievances.

9. Board Meetings:

Eleven meetings of the Board of Directors were held during the year viz. on 1ST April, 2017, 30th June, 2017, 11th August, 2017, 23rd August, 2017 and 9th September, 2017, 4th October 2017, 13th October 2017, 9th January 2018, 24th November 2017, and 25th March 2018 In respect of such meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes book maintained for the purpose. No circular resolutions were passed by the Company during the financial year under review.

10. Declaration By Independent Directors:

The Company has received and takes on record the declarations received from the Independent Directors of the Company in accordance with the Section 149(6) of the Companies Act, 2013 confirming their independence and Regulation 25 of the Listing Regulations.

11. Directors And Key Managerial Personnel:

Mrs. Preeti Rajesh Mittal (DIN: 01594555) retires by rotation and being eligible has offered himself for re-appointment.

12. Directors Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2018, the Board of Directors hereby confirms that:

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- II. That the Directors 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.
- III. 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 safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. That the Directors had prepared the annual accounts on a going concern basis and that the directors had laid down internal financial control to be followed by the company and that such internal financial control is adequate and were operating effectively.
- V. 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.

13. Particulars Of Contracts And Arrangements With Related Party:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the company had not entered into any contract or arrangement or transactions with related parties which could be considered 'material' (i.e. transactions exceeding ten percent of the annual turnover as per the last audited financial statements entered into individually or taken together with previous transactions during the financial year) according to the policy of the Company on materiality of Related Party Transactions. Accordingly, there are no transactions that are required to be reported in form AOC-2. However, you may refer to Related Party transactions, as per the Accounting Standards, in Note No. 21.5 of the Financial Statements.

14. Subsidiary, Associate or Joint Company

The Company does not have any subsidiary, joint venture or associate companies within the meaning of Section 2 (6) and 2(87) of the Companies Act, 2013. As such, a report in the prescribed Form AOC -1 as per first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rules made thereunder is not required to be attached and a policy for determining material subsidiary is not required to be framed by the Company.

15. Consolidated Financial Statement

Since the Company does not have any subsidiary, joint venture or associate companies as mentioned above, Consolidated Financial Statement are not required to be prepared and attached with the financial statement of the Company pursuant to the requirements of Section 129 read with Schedule III of the Companies Act, 2013 and Rules made thereunder and Listing Regulations and applicable Accounting Standards.

16. Evaluation Of Performance Of Board:

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

17. Familiarisation Programme :

The Company undertook various steps to make the Independent Directors have full understanding about the Company. The details of such familiarization programs have been disclosed on the Company's website: <http://www.riddhitubes.com>

18. Risk Management:

Apart from normal business risk, no major risk is foreseen that in the opinion of the Board may threaten the existence of the Company. During the Year, the Board has decided that Audit Committee shall identify risk, assess, monitor, review and report the risk engaged in the business and shall also carry out the role of Risk Management.

Subsidiary, Associate or Joint Venture Company

The Company does not have any subsidiary, joint venture or associate companies within the meaning of Section 2(6) and 2(87) of the Companies Act, 2013.

19. Auditors And Auditors' Report:**Statutory Auditor:**

M/s. Y. J. Malkani & Co., Chartered Accountants (FRN:143143W), the existing auditors of the Company were appointed as auditors of the Company at the 16th AGM for holding the office from the conclusion of that 16th AGM till the conclusion of the 21st AGM (Subject to ratification by the members at every subsequent Annual General Meetings).

As per Section 139(1) every company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the members of the company at such meeting shall be such as may be prescribed.

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

Statutory Auditor's Observations in Audit Report:

The notes on financial statement referred to in the auditor's report are self-explanatory. There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report and do not call for any further explanation / comment from the board.

Cost Auditor:

In terms of provisions of Section 148 of the Companies Act, 2013 and in accordance with notification issued by the Ministry Of Corporate Affairs, F. No. 52 /26/ CAB - 2010 dated 24th January, 2012, M/s Mayur Chhaganbhai Undhad, Cost Accountants, Ahmedabad, were appointed as Cost Auditor of the Company for the financial year 2017-18 by the Board as recommended by the Audit Committee and they have offered themselves for re-appointment for the financial year 2018-19.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors based on the recommendations of Audit Committee have appointed M/s. Siddharth N Maniar a Practicing Company Secretaries in Practice based in Ahmedabad to undertake the Secretarial Audit of the Company for the financial year ended 31st March, 2018 and further the Secretarial Auditor has offered themselves for reappointment for the financial year 2018-19. The Secretarial Audit Report for the financial year 2017-18 does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report is annexed here to as "Annexure-A" and forms part of this Report.

Secretarial Auditor's Observations in Secretarial Audit Report:

There is no qualification, reservation or adverse remarks or disclaimer made by the auditors in their report and do not call for any further explanation/ comment from the board.

20. Particulars Of Employees And Related Disclosures:

Disclosure with respect to remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report (Annexure -B).

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5 (2) and 5 (3) of Rules are available at the Registered Office of the Company for inspection and shall be made available to any shareholder on request.

21. REPORT ON CORPORATE GOVERNANCE

As per SEBI circular no SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION, 2015 No. SEBI/LAD-NRO/GN/2015-16/013 dated September 02, 2015 Company's paid up capital is less than

Rs. 10 Crores and Net Worth is also less than Rs. 25 Crore or Company listed on SME Platform Company was not required to comply with the norms of the corporate Governance. Since the Company was listed on SME Exchange only as on Financial Year ending 31st march 2017, therefore the provisions relation to Corporate Governance is not applicable to the Company.

22. MANAGEMENT

There was no change in Management of the Company during the year under review. Further none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

23. RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development is not significant in relation to the nature size of operations of your Company.

24. Prevention Of Insider Trading:

In January 2015, SEBI notified the SEBI (Prohibition of insider trading) Regulations, 2015 which came into with effect from 15th May, 2015. Pursuant there to, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.

25. Corporate Social Responsibility:

Section 135 of the Companies Act, 2013 and framed Rules there under provides that certain Companies are required to spend 2% of its average net profit during 3 preceding years on CSR activities. It also provides formation of CSR committee of the Board. The Rules prescribe the activities qualify under CSR and the manner of spending the amount. The company is not covered under section 135 of the Companies Act, 2013 and the Rules framed there under for the financial year under report. CSR Committee of the Board will be constituted at the time of applicability, of section 135 of the Act. Hence CSR report is no required to be annexed.

26. Vigil Mechanism / Whistle Blower Policy:

The Company has formulated Whistleblower Policy in conformity with the provisions of Section 177 (9) of the Companies Act, 2013 and Listing Regulations to provide a mechanism for any concerned person of the company to approach the Ethics Counselor/ Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also ensure that whistleblowers are protected from retribution, whether within or outside the organization. The details of the Whistle Blower Policy are posted on the Company's website at <http://www.riddhitubes.com/>

27. Extract Of The Annual Return:

The Extract of the Annual Return for the Financial Year 2016-17 is enclosed with this report pursuant to Section 92 (3) of the Companies Act, 2013 as "Annexure-C" and forms part of this report.

28. Performance On Evaluation Of Directors:

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the individual Directors and the Board. The framework of performance evaluation of the Independent Directors captures the following points:

- I. Key attributes of the Independent Directors that justify his/her extension / continuation on the Board of the Company.
- II. Participation of the Directors in the Board proceedings and his/her effectiveness. The evaluation was carried out by means of the replies given / observations made by all the Directors on the set of questions developed by them which brought out the key attributes of the Directors, quality of interactions amongst them and it effectiveness.

29. Management Discussion And Analysis:

The Management Discussion and Analysis Report on the operations of the Company have been provided in a separate section which forms part of this Annual Report.

30. Material Changes and Commitments Affecting the Financial Position of the Company:

There are no material changes and commitments affecting the financial position of the company have occurred between the ends of the financial year of the company.

- I. The Company has taken note of resignation of Mr. Neel Sukhani (Membership No. A42487) as Company Secretary and Compliance Officer w.e.f. 18th January, 2017, under the provisions of the Companies Act, 2013.
- II. The Company has appointed Mr. Nikhil Vadera (Membership No. A49435) Company Secretary and Compliance Officer under the provisions of the Companies Act, 2013 in the board meeting held as on 18th January, 2017.

31. Change In The Nature Of Business:

During the year under review, there are no changes in the nature of business of the Company.

32. Committees And Policies:
I. Audit Committee:

Audit Committee comprises of three members and all members are Independent Directors. All transactions with related parties are on an arm's length basis. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee.

The composition of the Audit Committee of the Board of Directors of the Company mentioned below:

Name of Directors	Designation	Nature of Directorship
Mr. Paras K. Shah	Chairman	Independent Director
Mr. Shankar Prasad Bhagat	Member	Independent Director
Mr. Saurin S. Shah	Member	Independent Director

II. Nomination and Remuneration Committee:

Nomination and Remuneration Committee comprises of three members of which three, including the Chairman of the Committee, are Independent Directors. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company is mentioned below:

Name of Directors	Designation	Nature of Directorship
Mr. Paras K. Shah	Chairman	Independent Director
Mr. Shankar Prasad Bhagat	Member	Independent Director
Mr. Saurin S. Shah	Member	Independent Director

III. Stakeholders Relationship Committee:

Stakeholder Relationship Committee comprises of three members of which three including the Chairman of the Committee, are Independent Directors. The composition of the Stakeholder Relationship Committee of the Board of Directors of the Company is mentioned below:

Name of Directors	Designation	Nature of Directorship
Mr. Paras K. Shah	Chairman	Independent Director
Mr. Shankar Prasad Bhagat	Member	Independent Director
Mr. Saurin S. Shah	Member	Independent Director

IV. Nomination and Remuneration Policy:

The Nomination and Remuneration policy provides guidelines to the Nomination & Remuneration Committee relating to the Appointment, Removal & Remuneration of Directors and KMP. It also provides criteria for determining qualifications, positive attributes and Independence of Directors.

V. Whistle Blower Policy & Vigil Mechanism:

The Company has formulated Whistle Blower Policy & established Vigil Mechanism for the directors and employees of the Company to report, serious and genuine unethical behavior, actual or suspected fraud and violation of the Company's code of conduct or ethics policy. It also provides adequate safeguards against victimization of persons, who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. None of the employees of the Company has been denied access to the Audit Committee.

33. Other Policies:

The Company has formulated other policies as required under various Rules and Regulations duly approved by the Board and the same have been uploaded on the Company's website at the: <http://www.riddhitubes.com/>

34. Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo:
I. Conservation of Energy:

Energy conservation continuous to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques. Company has not made any capital investment on energy conservation equipment during the financial year.

II. Technology Absorption:

No new technology is absorbed by the company as company is equipped in well manner with all the required technologies and machineries that it requires in order to have smooth functioning of business operations.

III. Research And Development (R & D) :

The company is carrying out research in the field of its business so as to grab the Available opportunities of business expansion and thereby enhance the profitability and market share.

IV. Expenditure on R & D:

The company has not incurred any expenditure on Research and Development during the Financial Year.

V. Foreign Exchange Earning and Outgo:

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

35. SEXUAL HARASSMENT

The Company ensures that there is a healthy and safe atmosphere for every woman employee at the workplace. Further there was no case filled during the year under the sexual harassment of woman at workplace

36. Transfer Of Unclaimed Dividend To Investor Education And Protection Fund:

In terms of Section 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or re-enactments thereof, there was no unpaid/unclaimed dividend declared paid last year.

37. Particulars Of Loans, Guarantee And Investments:

The particulars of loans, guarantees and investments and security are given in the Notes to the Accounts.

38. Insurance:

The Company has taken adequate insurance cover on all movable and immovable assets to recover various types of risks.

39. Note On Accounts:

The notes forming part of the accounts are Self-explanatory and therefore, do not call for any further comments.

40. Disclosures:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- I. Details relating to deposits covered under Chapter V of the Act.
- II. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- III. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- IV. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

As per the requirement under The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with rules made there under, your Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

41. Acknowledgement:

The Directors wish to convey their gratitude and appreciation to all of the Company's employees for their tremendous personal efforts as well as their collective dedication and contribution to the Company's performance.

The Directors would also like to thank the employee unions, shareholders, customers, dealers, suppliers, bankers, government and all other business associates for their continued support extended to the Company and the Management.

For and on Behalf of the Board of Directors

Sd/-

Managing Director

Date: 30th August, 2018

Place: Ahmedabad

Management Discussion and Analysis

Economic Scenario: Global (business Line)

In 2018, global steel demand will reach 1.616 billion tones, while in 2019, it will hit 1.627 billion tones, the world steel said. The association previously forecast growth of 1.6 per cent this year. This is as economic growth in the world's second largest economy decelerates mildly and the government continues to steer the country away from investment-led to consumption-led growth. Global steel equity values have more than doubled since hitting 12-year lows in early 2016 in the worst of the steel sector crisis. The steel industry, worth about \$900 billion a year, is seen as a gauge of world economic health. It represents more than 160 steelmakers accounting for 85 per cent of global output.

Economic Scenario: India (as per financial Express) (Ministry of Steel)

It is indeed gratifying for Indian steel industry to have completed FY18 with a consumption growth of 7.8%. Last year steel consumption rose by 3.1% and the year before last the growth was 5.8%. In the current year also till October 2017, the rise in steel consumption for the first 7 months was confined to 4.5%. Thus it was a case of late pushes since November 2017. The factors that made this possible was the significant increase in global steel prices from November 2017 which began with rise in raw material prices of iron ore, coking coal and scrap i.e. and increase in global oil prices. Coupled with gradual uptick in the economic indicators i.e. GDP, Industrial Production, unemployment rates - the global economy led by the US, the EU, Japan, South Korea and India has forged ahead since the latter half of FY18. Indian Steel Sector has brought a new hope in Indian economy considering production of steel product as well as employment generation. Vast productions of steel products lead to expansion of export of steel products reducing import dependence which made India a net exporter in current period. The table below shows the trend in production for sale, import, export and actual consumption of finished steel (alloy/stainless + non-alloy) in the country for the last five years and April-December 2017-18:

Advanced Economies

Advanced Economies growth accelerated to 2.3% in 2017 as compared to 1.7% in 2016. The Advanced Economies are expected to grow further by 2.5% in 2018 and 2.2% in 2019. However, the Advanced Economies will have continued overhang of soft demand growth, ageing population (mainly in Japan and Europe) and low productivity growth.

India is currently the world's 3rd largest producer of crude steel and is expected to become the 2nd largest producer of crude steel in the world soon. Whereas, the country is also the 3rd largest consumer of finished steel (83.5 million tonnes in 2016) in the world preceded by China (681.0 million tonnes in 2016) and the USA (91.6 million tonnes in 2016) As Indian steel demand is substantially influenced by infrastructure and construction sector which was primarily determined by the growth of investment, the secular decline of GFCF as a percentage of GDP (33.4% in FY13 to 28.5% in FY18) was very much a worrying factor. There was also no improvement in the share of private corporate sector investment which compensates the shortfall in public investment. The silver lining in this otherwise depressing scenario was provided by the rise in manufacturing sector especially in the steel intensive components since November/December 2017. Accordingly, during the first 10 months of FY18, the growth of manufacturing at 4.3% supported IIP to achieve 4.1% rise in the period. The prominent sub segments of manufacturing - manufacture of machinery and equipment, vessels and trailers, other transport and furniture - exhibited growth rates of 5.9%, 11.8%, 12.7% and 7.5%, respectively during the period. As nearly 38% of steel consumption in the country is accounted for by the manufacturing sector in the form of engineering, fabrication, automobile, other transport (railways, ship building, civil aviation, barges and containers) and packaging sub segments, the growth momentum observed in these areas in the recent period brought some cheers to steel fraternity. The industrial use of steel was clearly discernible by more demand for wire rods, structural and plates.

Initiatives taken by the Company

The Company is in continuous pursuit of creating more value for all its stakeholders. The Companies various functional teams have taken some remarkable initiatives to not only strengthen its profitability in near future but also gain medium to long-term competitive advantage over its peers.

Cautionary Statement Statements

In this management discussion and analysis describing the companies objectives, projections, estimates and expectations may be Forward looking statements within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the companies operations include a downtrend in the industry global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations, labour relations and interest costs.

Annexure - A
Form No. MR-3
SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2018
[Pursuant To Section 204(1) Of The Companies Act, 2013 And Rule No.9 Of The Companies (Appointment And Remuneration Personnel) Rules, 2014]
Without Prejudice
Secretarial Audit Report
For The Financial Year Ended March 31, 2018

To,
The Members,
RIDDHI STEEL AND TUBE LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Riddhi Steel and Tube Limited (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon. Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under.
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - iv. 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.
- v. The Factories Act, 1948
- vi. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- vii. The Contract Labour (Regulation & Abolition) Act
- viii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- ix. Water (Prevention and Control of Pollution) Act, 1974
- x. Air (Prevention and Control of Pollution) Act, 1981

I have also examined compliance with the applicable clauses of the following:
Secretarial Standards issued by The Institute of Company Secretaries of India.

The Listing Agreements entered into by the Company with BSE Limited (SME Platform) Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned.

I/we further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Date: 30th May, 2018
Place: Ahmedabad

Siddharth N. Maniar
COMPANY SECRETARY
Sd/-
COP: 3560



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

Annexure - A

To,
RIDDHI STEEL AND TUBE LIMITED

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

- I. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit;
- II. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion;
- III. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
- IV. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- V. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
- VI. 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.

Date: 30th May, 2018
Place: Ahmedabad

Siddharth N. Maniar
COMPANY SECRETARY
Sd/-
COP:3560

Annexure - B

Information Pursuant To Section 197 Of The Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

- I. The ratio of the remuneration of each director to the median employee's remuneration for the Financial year and such other details as prescribed are as given below:

Name	Ratio
Rajesh Ramkumar Mittal (Managing Director)	6.76
Preeti Rajesh Mittal (Chief Financial Officer)	6.09

- II. For this purpose, sitting fees paid to the directors has not been considered as remuneration. The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year

Name	Designation	% of Increase
Rajesh Ramkumar Mittal	Managing Director	No Increase
Preeti Rajesh Mittal	CFO & Director	No Increase

- III. The number of permanent employees on the rolls of company: 24

- IV. Comparison of the each remuneration of the KMP against the performance of the Company:

Name	Remuneration of KMP (Rs. Lacs)	Performance of the Company - PAT as on 31st March, 2018 (Rs. lacs)
Rajesh Ramkumar Mittal	6.00 P.A	313.67
Preeti Rajesh Mittal	5.40 P.A	

- V. The key parameters for any variable component of remuneration availed by the directors:

There is no variable component in the remuneration of the Key Managerial Personnel.

- VI. If remuneration is as per the remuneration policy of the company: Yes

For and on Behalf of the Board of Directors
Sd/-
Managing Director

Date: 30th August, 2018
Place: Ahmedabad

ANNEXURE - C
FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN

As On Financial Year Ended 31st March, 2017

[Pursuant To Section 92(3) Of The Companies Act, 2013 And Rule 12(1) Of The Companies (Management And Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

I.	CIN	L27106GJ2001PLC039978
II.	Registration Date	07/09/2001
III.	Name of the Company:	RIDDDHI STEEL AND TUBE LIMITED
IV.	Category/ Sub- category of Company	Public Company Limited by Shares/ Non-Government Company
V.	Address of the Registered office and contact details:	83/84, Village - Kamod, Piplaj Pirana Road, Post - Aslali, Ahmedabad Gujarat 382427 India. Tel: +91-079-25320781 / 82 / 83 / 86. E-mail: compliance@riddhitubes.com Website: http://www.riddhitubes.com /
VI.	Whether Listed Company	Yes
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, India Tel: +91 - 40 - 67162222, Fax: +91 - 40 - 2343 1551 Website: Www.Karisma.Karvy.Com SEBI Registration No: INR000000221

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	% to total turnover of the company
i.	Manufacture of tubes, pipes and hollow profiles and of tube or pipe fittings of cast iron / cast-steel	24311	100

III. Particulars of holding, subsidiary and associate companies -

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding / Subsidiary / Associate	%of Shares held	Applicable Section
	N. A.				

V. Share Holding Pattern (Equity Share Capital Breakup As Percentage Of Total Equity) :
(I) Category - Wise Share Holding

Sr. No	Category Of Share Holder	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	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	5688632	0	5688632	68.62	5688632	0	5688632	68.62	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	5688632	0	5688632	68.62	5688632	0	5688632	68.62	0.00
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	Total A=A(1)+A(2)	5688632	0	5688632	68.62	5688632	0	5688632	68.62	0.00
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions /Banks	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(1) :	0	0	0	0.00	0	0	0	0.00	0.00

(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	507000	261620	768620	9.27	512555	261620	774175	9.34	0.07
(b)	Individuals									
	(i) Individuals holding nominal share capital up to Rs.1 lakh	354000	0	354000	4.27	318445	0	318445	3.84	-0.43
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	1479000	0	1479000	17.84	1506000	0	1506000	18.17	0.33
(c)	Others									
	NRI NON-REPATRIATION	0	0	0	0.00	3000	0	3000	0.04	0.04
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total B(2) :	2340000	261620	2601620	31.38	2340000	261620	2601620	31.38	0.00
	Total B=B(1)+B(2):	2340000	261620	2601620	31.38	2340000	261620	2601620	31.38	0.00
	Total (A+B) :	8028632	261620	8290252	100.00	8028632	261620	8290252	100.00	0.00
(C)	Shares held by custodians, against which									
	Depository Receipts have been issued									
(1)	Promoter and Promoter Group									
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	8028632	261620	8290252	100.00	8028632	261620	8290252	100.00	0.00

(ii) Shareholding of Promoters

	Name Of Shareholder	No. Of Shares Held At The Beginning Of The Year I.E 01.04.2016			No. Of Shares Held At The End Of The Year I.E 31.03.2017			% Change 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	Rajesh Mittal	429350	5.18	-	429350	5.18	-	-
2	Preeti Mittal	2957004	35.67	-	2957004	35.67	-	-
3	Rajesh Mittal HUF	546502	6.59	-	546502	6.59	-	-
4	Riddhi Mittal	341238	4.12	-	341238	4.12	-	-
5	Rajat Mittal	1414538	17.06	-	1414538	17.06	-	-

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. Of shares	% of total shares of the company	No. Of shares	% of total shares of the company
1.	At the Beginning of the Year	5688632	68.62	5688632	68.62
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity Etc.) :	-	-	-	-
3.	At the end of the year	5688632	68.62	5688632	68.62

IV. Shareholding Pattern Of Top Ten Shareholders (Other Than Directors, Promoters And Holders Of GDR And ADR):

Sr. No.	Name of Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. Of shares	% of total shares of the company	No. Of shares	% of total shares of the company
1. Mayur Babubhai Patel						
	At the beginning of the year	01/04/2017	423000	5.10	423000	5.10
	Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NO CHANGES				
	At the end of the year	31/03/2018			423000	5.10
2. Vivid Offset Printers Private Limited						
	At the beginning of the year	01/04/2017	0	0	0	0
	Purchase	09/06/2017	30000	0.36	30000	0.36
	Purchase	30/06/2017	21000	0.25	51000	0.62
	Purchase	14/07/2017	9000	0.11	60000	0.72
	Purchase	28/07/2017	6000	0.07	66000	0.80
	Purchase	08/09/2017	18000	0.22	84000	1.01
	Sale	15/09/2017	21000	0.25	63000	0.76
	Sale	22/09/2017	21000	0.25	42000	0.51
	Sale	29/09/2017	42000	0.51	0	0.00
	Purchase	13/10/2017	6000	0.07	6000	0.07
	Purchase	24/11/2017	3000	0.04	9000	0.11
	Purchase	01/12/2017	6000	0.07	15000	0.18
	Purchase	15/12/2017	18000	0.22	33000	0.40
	Purchase	19/01/2018	6000	0.07	39000	0.47
	Sale	26/01/2018	3000	0.04	36000	0.43
	Purchase	09/02/2018	84000	1.01	120000	1.45
	Purchase	02/03/2018	84000	1.01	204000	2.46
	Purchase	09/03/2018	18000	0.22	222000	2.68
	Purchase	16/03/2018	24000	0.29	246000	2.97
	Sale	23/03/2018	18000	0.22	228000	2.75
	At the end of the year	31/03/2018			225000	2.71

3. Advance Multitech Ltd					
At the beginning of the year	01/04/2017	211620	2.55	211620	2.55
Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NO CHANGES				
At the end of the year	31/03/2018			211620	2.55
4. Darshan Orna Limited					
At the beginning of the year	01/04/2017	0	0	0	0
Purchase	29/09/2017	111000	1.34	111000	1.34
Sale	13/10/2017	6000	0.07	105000	1.27
Purchase	22/12/2017	27000	0.33	132000	1.59
At the end of the year	31/03/2018			132000	1.59
5. Ketan Rasiklal Shah					
At the beginning of the year	01/04/2017	129000	1.56	129000	1.56
Purchase	19/01/2018	129000	1.56	258000	3.11
Sale	19/01/2018	129000	1.56	129000	1.56
At the end of the year	31/03/2018			129000	1.56
6. Beeline Broking Limited					
At the beginning of the year	01/04/2017	3000	0.04	3000	0.04
Purchase	21/07/2017	15000	0.18	18000	0.22
Purchase	04/08/2017	3000	0.04	21000	0.25
Sale	18/08/2017	3000	0.04	18000	0.22
Purchase	08/09/2017	12000	0.14	30000	0.36
Purchase	22/09/2017	42000	0.51	72000	0.87
Sale	29/09/2017	69000	0.83	3000	0.04
Purchase	06/10/2017	9000	0.11	12000	0.14
Purchase	13/10/2017	12000	0.14	24000	0.29
Purchase	08/12/2017	3000	0.04	27000	0.33
Purchase	15/12/2017	3000	0.04	30000	0.36
Sale	22/12/2017	28676	0.35	1324	0.02
Purchase	05/01/2018	3000	0.04	4324	0.05
Purchase	12/01/2018	30000	0.36	34324	0.41
Purchase	19/01/2018	36000	0.43	70324	0.85
Purchase	26/01/2018	21000	0.25	91324	1.10
Purchase	23/03/2018	18000	0.22	109324	1.32
At the end of the year	31/03/2018			112324	1.35
7. Keshav Vijay Biyani					
At the beginning of the year	01/04/2017	66000	0.80	66000	0.80
Purchase	16/03/2018	24000	0.29	90000	1.09
At the end of the year	31/03/2018			90000	1.09

8. Advance Synthetic					
At the beginning of the year	01/04/2017	50000	0.60	50000	0.60
Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NO CHANGES				
At the end of the year	31/03/2018			50000	0.60
9. Mahesh Sohanlal Jhawar					
At the beginning of the year	01/04/2017	45000	0.54	45000	0.54
Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	NO CHANGES				
At the end of the year	31/03/2018			45000	0.54
10. NIYATI KETAN SHAH					
At the beginning of the year	01/04/2017	45000	0.54	45000	0.54
Purchase	19/01/2018	45000	0.54	90000	1.09
Sale	19/01/2018	45000	0.54	45000	0.54
At the end of the year	31/03/2018			45000	0.54

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Date	Shareholding at the beginning of the year		Date wise Increase/ Decrease during the Year	Cumulative Shareholding during the year	
			No. Of shares	% of total shares of the company		No. Of shares	% of total shares of the company
1.	Rajesh R. Mittal	As on 01.04.2016	429350	5.18	NIL	429350	5.18
		As on 31.03.2017				429350	5.18
2.	Preeti R. Mittal	As on 01.04.2016	2957004	35.67	NIL	2957004	35.67
		As on 31.03.2017				2957004	35.67

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

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits (shareholder + Director)	Total indebtness
Indebtedness at the beginning of the financial year	-	-	-	-
Principal Amount	434077703	344523632	-	778601335
Interest due but not paid			-	
Interest accrued but not due			-	
Total (i+ii+iii)	434077703	344523632	-	778601335
Change in Indebtedness during the financial year			-	
Addition	3234368862	451793628	-	3686162490
Reduction	3066428660	569833875	-	3636262535
Net Change	167940202	(118040247)	-	49899955
Indebtedness at the end of the financial year			-	
Principal Amount			-	
Interest due but not paid			-	
Interest accrued but not due			-	
Total (i+ii+iii)	602017905	226483385	-	828501290

VI. Remuneration Of Directors And Key Managerial Personnel
A. Remuneration To Managing Director, Whole-Time Directors, Other Non-Executive Director And / Or Manager :

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager/other Executive Director		Total Amount (in Rs.)
		Rajesh Mittal (M.D.)	Preeti Mittal (C.F.O.)	
1.	Gross salary	6,00,000	5,40,000	11,40,000
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	6,00,000	5,40,000	11,40,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission as % of profit	0	0	0
5.	Other Allowances	0	0	0
	TOTAL (A)	6,00,000	5,40,000	11,40,000

B. Remuneration to other directors:

Sr. No.	Name of Director	Particulars of Remuneration			Total Amount (in Rs.)
		Fee for attending board/ committee meetings	Commission	Others, please specify	
1.	Independent Directors				
	Paras K Shah	-	-	-	-
	Shankar P Bhagat	-	-	-	-
	Saurin S Shah	-	-	-	-
	Total	-	-	-	-
2.	Non – Executive Director	-	-	-	-
	Total (2)	-	-	-	-
	TOTAL (1+2)	-	-	-	-
	Overall celling as per the Act	One Lac per Board / Committee Meeting			

C. Remuneration To Other Key Managerial Personnel:

Sr. No.	Particulars of Remuneration	Nikhil Vadera* - CS	Total Amount (in Rs.)
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2.72 Lakhs	2.72 Lakhs
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission as % of profit	-	-
5.	Other Allowances	-	-
	TOTAL (A)	2.72 Lakhs	2.72 Lakhs

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)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF RIDDHI STEEL & TUBE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of RIDDHI STEEL & TUBE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We have conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its Profits and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of subsection 11 of section 143 of the Act, We give in the Annexure - Aa statement on the matters specified in the paragraph 3 and 4 of the order to the extent possible.
- ii. 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 and cash flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 and the operating effectiveness of such controls, refer to our separate report in Annexure - B; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations which can impact its financial position.
 - ii. The company has made the provision, as required under the applicable laws or accounting standards for material foreseeable losses on long term contracts including derivative contracts.
 - iii. The company is not require to transfer any amount to the Investor Education and Protection Fund.

Ahmedabad
30thMay,2018

For, Y.J Malkani& Co.
Chartered Accountants
Sd/-
Yasin J. Malkani
Proprietor
M.No. 173492
FRN 143143W

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF RIDDHI STEEL AND TUBE LIMITED

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

1. In respect of its Property, Plants & Equipments:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plants & Equipments;
- (b) The Property, Plants & Equipments have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the Property, Plants & Equipments has been physically verified by the management during the year and no material discrepancies between the books records and the physical Property, Plants & Equipments have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.

2. In respect of its Inventories:

- (a) The management has conducted the physical verification of inventory at reasonable intervals.
 - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
 4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
 5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
 6. With reference to the compulsory cost records to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government of India under section 148 of the Companies Act, 2013, the Company has complied with the same; however we have not made a detailed examination of the records.

7. In respect of Statutory Dues:

- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount is payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess, etc., for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
 9. Based upon the audit procedures performed and the information and explanations given by the management, the company has raised moneys by way of initial public offer and term Loans and were utilized for the purpose for which they were raised.
 10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11. Based upon the audit procedures performed and the information and explanations given by the management, the remuneration paid is within the limits laid down under section 197 read with schedule V of the companies Act, 2013. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable to the Company and hence not commented upon.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Ahmedabad
30thMay,2018

For, Y.J Malkani& Co.
Chartered Accountants
Sd/-
Yasin J. Malkani
Proprietor
M.No. 173492
FRN 143143W

**"ANNEXURE - B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE
ON THE FINANCIAL STATEMENTS OF RIDDHI STEEL AND TUBE LIMITED**

**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 RIDDHI STEEL AND TUBE LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

Ahmedabad
30th May, 2018

For, Y.J Malkani & Co.
Chartered Accountants
Sd/-
Yasin J. Malkani
Proprietor
M.No. 173492
FRN 143143W

RIDDHI STEEL & TUBE LIMITED
BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at 31.03.2018		As at 31.03.2017	
		Rupees	Rupees	Rupees	Rupees
I EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	1	82,902,520	-	82,902,520	-
(b) Reserves & Surplus	2	289,378,090	372,280,610	258,010,864	340,913,384
(2) Share Application Money Pending Allotment					
-					
(3) Non-Current Liabilities					
(a) Long-Term Borrowings	3	416,313,052	-	397,177,563	-
(b) Deferred Tax Liabilities (Net)		12,770,098	429,083,150	11,812,721	408,990,284
(4) Current Liabilities					
(a) Short-Term Borrowings	4	412,188,237	-	381,423,771	-
(b) Trade Payables	5	101,016,937	-	66,546,035	-
(c) Other Current Liabilities	6	10,387,776	-	25,517,512	-
(d) Short-Term Provisions	7	15,966,482	539,559,432	16,293,305	489,780,623
		1,340,923,192		1,239,684,291	
II ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets					
(i) Property, Plant & Equipment	8	264,691,963	-	228,614,472	-
(ii) Intangible Assets					
(iii) Capital Work In Progress	8(A)	34,706,513	299,398,476	34,378,749	262,993,221
(2) Current Assets					
(a) Inventories	9	346,132,198	-	291,168,576	-
(b) Trade Receivables	10	545,905,334	-	458,474,777	-
(c) Cash and Cash Equivalents	11	1,558,465	-	8,153,423	-
(d) Short-Term Loans and Advances	12	147,928,720	1,041,524,716	218,894,294	976,691,070
		1,340,923,192		1,239,684,291	

Summary of Significant Accounting Policies 20

Additional Notes to Financial Statement 21

As per our report of even date attached

For, **Y.J MALKANI & CO**

Chartered Accountants

Firm Registration No : 143143W

For and on behalf of the Board

Sd/-

Yashin J. Malkani

Membership No.: 173492

Place: Ahmedabad

Date: 30/05/2018

Rajesh R Mittal

Director

Sd/-

Place: Ahmedabad

Date: 30/05/2018

Preeti R Mittal

Director

Sd/-

Place: Ahmedabad

Date: 30/05/2018

Nikhil Vadera

Company Secretary

Sd/-

Place: Ahmedabad

Date: 30/05/2018

RIDDHI STEEL & TUBE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2018

Particulars	Note	For the year ended 31st March , 2018		For the year ended 31st March , 2017	
		Rupees	Rupees	Rupees	Rupees
(I) Revenue					
Revenue from Operations	13	2,695,337,361		2,415,811,995	
Other Income	14	6,388,527		15,110,293	
(II) Total Revenue			2,701,725,888		2,430,922,288
(III) Expenses					
Cost Of Material Consumed	15	2,388,439,409		2,200,562,244	
(Increase) / Decrease in Stock	16	19,597,823		(74,903,438)	
Employee Benefits Expense	17	12,044,204		7,046,483	
Financial Charges	18	85,307,536		103,276,947	
Administrative and Selling Expenses	19	115,226,615		120,396,306	
Depreciation and Amortisation expense	8	32,819,216		33,021,511	
(IV) Total Expenses			2,653,434,802		2,389,400,053
(V) Prior Period Items			-		-
(VI) Profit / (Loss) Before Exceptional Items And Tax (II-IV)			48,291,085		41,522,235
(VII) Exceptional Items			-		-
(VIII) Profit/(Loss) Before Taxes - PBT (VI-VII)			48,291,085		41,522,235
(IX) Tax Expense:					
Current tax		15,966,482	-	13,525,882	-
Deferred tax		957,377	-	1,182,930	-
Prior Income Tax			16,923,859		14,708,812
(X) Profit/(Loss) For The Period After Tax			31,367,226		26,813,423
(XI) Earnings Per Share					
- Basic EPS			3.78		3.23
- Diluted EPS			3.78		3.23
- Nominal value of shares			10.00		10.00

Summary of Significant Accounting Policies 20
 Additional Notes to Financial Statement 21

As per our report of even date attached
 For, **Y.J MALKANI & CO**
 Chartered Accountants
 Firm Registration No : 143143W

For and on behalf of the Board

Sd/-
Yashin J. Malkani
 Membership No.: 173492
 Place: Ahmedabad
 Date: 30/05/2018

Rajesh R Mittal Director Sd/- Place: Ahmedabad Date: 30/05/2018	Preeti R Mittal Director Sd/- Place: Ahmedabad Date: 30/05/2018	Nikhil Vadera Company Secretary Sd/- Place: Ahmedabad Date: 30/05/2018
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RIDDHI STEEL & TUBE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amt.	Amt.
Cash Flow From Operating Activities :		
Net Profit before tax as per Profit and Loss statement	48,291,085	
Add: Non Cash and Non-Operating Expenses		
Depreciation 32,819,216		
Preliminary Expenses Written off	-	
Interest Expense & Bank Charges	85,307,536	
Less: Non-Operating Income		
Profit on Sale of Property, Plant & Equipment	-	
Interest Income	6,072,584	
Cash Flow before change in working capital	160,345,253.0	
Increase in Trade Payable	34,470,902	
Decrease in Short term borrowings	30,764,466	
Decrease in Other Current Liabilities	(1,51,29,736)	
Decrease in Short Term Provisions	(27,67,423)	
Decrease in Short Term Loans & Advances	70,965,574	
Increase in Inventories	(5,49,63,621)	
Increase in Trade Receivable	(8,74,30,556)	
Cash Flow Before Tax	136,254,859	
Less: Tax Paid	13,525,882	
Cash Flow From Operating Activities		122,728,977
Cash Flow From Investing Activities :		
Interest Income	6,072,584	
Sale of Fixed Assets	35,284	
Purchase of Fixed Assets	(6,92,59,755)	
Cash Flow From Investing Activities		(6,31,51,887)
Cash Flow From Financing Activities :		
Equity Shares Capital Issued	-	
Interest on Loan & Bank Charges	(8,53,07,536)	
Procurement of Long Term Loans	19,135,487	
Cash Flow From Financing Activities		(6,61,72,049)
Net Cash Flow During the year		(65,94,959)
Cash & Cash Equivalents at the beginning of the Year		8,153,424
Cash & Cash Equivalents at the end of the Year		1,558,465
Net Increase/(decrease)		(65,94,959)

As per our report of even date attached
For, **Y.J MALKANI & CO**
Chartered Accountants
Firm Registration No : 143143W

For and on behalf of the Board

Sd/-
Yashin J. Malkani
Membership No.: 173492
Place: Ahmedabad
Date: 30/05/2018

Rajesh R Mittal Director Sd/- Place: Ahmedabad Date: 30/05/2018	Preeti R Mittal Director Sd/- Place: Ahmedabad Date: 30/05/2018	Nikhil Vadera Company Secretary Sd/- Place: Ahmedabad Date: 30/05/2018
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RIDDHI STEEL & TUBE LIMITED

Notes To Financial Statements For The Year Ended March 31, 2018

NOTE NO. 01 - Share Capital				
Particulars	As at 31.03.2018		As at 31.03.2017	
	₹	₹	₹	₹
Authorised Shares				
85,00,000 Equity Shares of Rs.10/- each	85,000,000	85,000,000	85,000,000	85,000,000
Issued, Subscribed and Paid up shares				
82,90,252 Equity Shares of Rs.10/- each fully paid up	82,902,520	82,902,520	82,902,520	82,902,520
		82,902,520		82,902,520

A. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2018		As at 31.03.2017	
	No of Shares	₹	No of Shares	₹
Equity Shares:				
At the beginning of the period	8,290,252	82,902,520	5,950,252	59,502,520
Shares Issued during the year as fully paid	-	-	2,340,000	23,400,000
Outstanding at the end of the period	8,290,252	82,902,520	8,290,252	82,902,520

B. Details of Shareholders holding more than 5% shares in the company:

Particulars	As at 31.03.2018		As at 31.03.2017	
	No of Shares	₹	No of Shares	₹
Equity Shares of Rs.10/- each fully paid				
Mr. Rajesh R Mittal HUF	546,502	6.59%	546,502	6.59%
Smt. Preeti R. Mittal	2,957,004	35.67%	2,957,004	35.67%
Mr. Rajat R Mittal	1,414,538	17.06%	1,414,538	17.06%
Mr. Rajesh R Mittal	429,350	5.18%	429,350	5.18%
Ms. Mayur Babubhai Patel	423,000	5.10%	423,000	5.10%

NOTE NO. 02 - RESERVES & SURPLUS

Particulars	As at 31.03.2018		As at 31.03.2017	
	₹	₹	₹	₹
Share Premium				
Balance as per the last financial statement	13,500,000		13,500,000	
Add: Amount transferred to share premium Account	65,520,000		65,520,000	
Less: Amount transferred From share premium account	-		-	
Closing Balance -		79,020,000		79,020,000
Surplus / (deficit) in the Statement of Profit and Loss				
Balance as per the last financial statement	178,990,864		152,177,441	
Add: Profit for the period	31,367,226		26,813,423	
Less: Depreciation in respect of Assets whose useful life is over	-		-	
Add: DTA in respect of Assets whose useful life is over	-		-	
Closing Balance		210,358,090		178,990,864
Total of Reserves and Surplus		289,378,090		258,010,864

NOTE NO. 03 - Long Term Borrowings

Particulars	As at 31.03.2018		As at 31.03.2017	
	₹	₹	₹	₹
Secured Loan:				
From Term Loan Account	184,757,044		46,023,149	
From Kotak Mahindra Prime Ltd	4,945,707		6,413,134	
From ICICI Bank Loan	126,916		217,649	
		189,829,667		52,653,932
Unsecured Loan:				
From Directors	56,539,899		17,056,291	
From Shareholders, Relative & Others	169,9463,486	226,483,385	327,467,340	344,523,631
		416,313,052		397,177,563

NOTE NO. 04 - Short Term Borrowings

Particulars	As at 31.03.2018		As at 31.03.2017	
	₹	₹	₹	₹
Secured Loan:				
From Bank Cash Credit A/C (Secured against Movable And Immovable Property & Personal guarantee of Promoters.)	412,188,237		381,423,771	
		412,188,237		381,423,771

NOTE NO. 05 - Trade Payables

Particulars	As at 31.03.2018		As at 31.03.2017	
	₹	₹	₹	₹
Creditors For Goods & Expenses	60,051,820		39,031,718	
Creditors For Capital Goods	40,965,117	101,016,937	27,514,317	66,546,035
		101,016,937		66,546,035

NOTE NO. 06 - Other Current Liabilities

Particulars	As at 31.03.2018		As at 31.03.2017	
	₹	₹	₹	₹
Advance From Customers	5,689,191		18,896,793	
Statutory Liabilities	4,681,398		6,589,282	
Other Liabilities	17,187	10,387,776	31,437	25,517,512
		10,387,776		25,517,512

NOTE NO. 07 - Short Term Provisions

Particulars	As at 31.03.2018		As at 31.03.2017	
	₹	₹	₹	₹
Provision For Income Tax	15,966,482		13,525,882	
Unpaid Electricity Bill	-		1,928,050	
Unpaid Salary	15,966,482	839,373	16,293,305	
		15,966,482		16,293,305

Notes To Financial Statements For The Year Ended March 31, 2018
NOTE NO. 08 : Property, Plant & Equipments

(Amount in Rupees)

Sr. No.	Particulars	Cost				Depreciation				Net Book Value	
		As at 01.04.2017	Additions	Deletions	As at 31.03.2018	Up to 31.03.2017	For the year	Depreciation in respect of Assets whose useful life is over	Up to 31.03.2018	As at 31.03.2017	As at 31.03.2016
1	Factory Building	74,158,532	2,175,641	0	76,334,173	30,853,598	4,194,831	-	35,048,429	43,304,934	42,262,582
2	Furniture & Fixtures	797,298	4,250	0	801,548	720,463	21,830	-	742,293	76,835	107,728
3	Plants & Machineries	292,695,823	45,397,421	29,075	338,064,169	139,766,113	22,623,113	-	162,389,226	152,929,710	154,216,131
4	Cooling Set	171,000	0	0	171,000	108,059	8,749	-	116,808	62,941	73,102
5	Office Equipment's	1,344,698	19,517	0	1,364,215	828,464	187,646	-	1,016,110	516,234	136,272
6	Electrical Fittings	9,700,593	0	0	9,700,593	8,102,489	459,148	-	8,561,637	1,598,104	2,265,043
7	Computer & Peripherals	1,670,549	13,348	0	1,683,897	1,090,665	182,495	-	1,273,160	579,884	94,548
8	Motor Cars	20,573,458	8,033,918	0	28,607,376	12,424,803	2,857,499	-	15,282,302	8,148,655	10,477,664
9	Air Conditioners	495,230	0	0	495,230	428,307	7,392	-	435,699	66,923	82,543
10	Scooter	453,606	0	6,209	447,397	325,675	31,348	-	357,023	127,931	102,038
11	Crane	9,664,918	0	0	9,664,918	5,797,144	537,620	-	6,334,764	3,867,774	4,492,188
12	Roll Set	3,265,279	0	0	3,265,279	2,073,510	175,984	-	2,249,494	1,191,769	1,396,163
13	Office Building	17,236,100	577,050	0	17,813,150	1,093,322	1,531,561	-	2,624,883	16,142,778	-
14	Land		12,710,846	0	12,710,846						
	Sub Total	432,227,084	68,931,991	35,284	501,123,791	203,612,612	32,819,216	-	236,431,828	228,614,472	215,706,002

NOTE NO. 08(A) : Capital Work In Progress

(Amount in Rupees)

Sr. No.	Particulars	Cost				Depreciation				Net Book Value	
		As at 01.04.2017	Additions	Deletions	As at 31.03.2018	Up to 31.03.2017	For the year	Depreciation in respect of Assets whose useful life is over	Up to 31.03.2018	As at 31.03.2017	As at 31.03.2016
1	Factory Building	3,116,747	28,656	-	3,145,403	-	-	-	-	3,145,403	3116747
2	Plant & Machinery	31,262,002	299,108	-	31,561,110	-	-	-	-	31,561,110	31262002
3	Office Building			-	-	-	-	-	-	-	-
	TOTAL	34,378,749	327,764	-	34,706,513	-	-	-	-	34,706,513	34,378,749

NOTE NO. 09 - Inventories

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Raw material	154,312,311	83,125,366
Store & Spares (Including Oil Lubricants)	5,845,561	2,471,061
Semi-Finished Goods(Including Scrap)	47,813,254	48,568,005
Finished Stock	138,161,072	157,004,144
	346,132,198	291,168,577

NOTE NO. 10 - Trade Receivables

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Sundry Debtors	545,905,334	458,474,777
	545,905,334	458,474,777

NOTE NO. 11 - Cash And Cash Equivalents		
Particulars	As at 31.03.2018	As at 31.03.2017
	₹	₹
Cash on Hand:		
Cash on hand	674,461	921,455
Balances with Banks:		
On Current Account With Banks:	648,047	6,530,165
In Fixed Deposit	235,957	701,804
	1,558,465	8,153,423
NOTE NO. 12 - Short Term Loans And Advances		
Particulars	As at 31.03.2018	As at 31.03.2017
	₹	₹
Security Deposit (Unsecured, Considered good):		
Torrent Power	2,448,239	2,448,239
Electricity Deposits (B)	-	-
BSE Deposits	889,200	889,200
Tender Deposits	-	1,020,000
Other deposits	30,200	30,200
Balances With Government Authority:	-	-
TDS & TCS Receivables	2,596,405	1,353,903
Service Tax Receivable	529,382	618,304
Excise Duty	606,836	11,951,432
Income Tax	17,435,490	17,431,990
GST Tax Receivable	23,080,622	-
Value Added Tax Receivable	11,160	137,284
Other Loans and Advances (Unsecured, Considered good):	-	-
Advances to Suppliers	8,743,982	3,457,231
Advances for Capital Goods	2,187,763	2,447,104
Advances to Staff	521,048	323,545
Interest Receivable(Torrent Power)	148,730	170,764
Prepaid Insurance	3,383,909	214,463
Prepaid Listing Fees	101,726	131,726
Prepaid Processing Charges	248,837	3,527,615
Trade Discount Receivable	16,011,679	22,539,706
L C Margin and Interest Receivable	20,581	-
Loans & Advances	66,332,349	149,401,388
Prepaid Stamp Charges	2,600,580	800,200
	147,928,720	218,894,294

NOTE NO. 13 - Revenue From Operation

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Sale of Products:		
Net Sales (Domestic):	2,294,630,788	2,104,318,678
	2,294,630,788	2,104,318,678
Add: Excise Duty	47,170,917	206,181,706
Value Added Tax/Central Sales Tax	353,535,656	105,311,611
	2,695,337,361	2,415,811,995

Note no. 14 - other income

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Interest Income	6,072,584	14,690,985
Kasar Income & Sundry Write off	313,341	27,349
Vat Refund/Margin Money Refund	-	-
Gain on Sales Of Car	-	18,012
Profit on Sale Of Machinery	-	371,253
Other Income	2,602	2,694
	6,388,527	15,110,293

NOTE NO. 15 - COST OF MATERIAL CONSUMED

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Raw Material		
Opening Stock	83,125,366	171,450,986
Add: Purchase	2,446,947,380	2,096,150,596
Less: Closing Stock	154,312,311	83,125,366
	2,375,760,435	2,184,476,216
Store & Tools (Including Oil & Lubricants)		
Opening Stock	2,471,061	2,323,061
Add: Purchase	16,053,474	16,234,028
Less: Closing Stock	5,845,561	2,471,061
	12,678,974	16,086,028
	2,388,439,409	2,200,562,244

NOTE NO. 16 - Increase/(Decrease) In Stock

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Opening Stocks of Semi-Finished Goods	48,568,005	58,993,274
Less: Closing Stock of Semi-Finished Goods (Including Scrap)	47,813,254	48,568,005
	754,751	10,425,269
Opening Stocks of Finished Goods	157,004,145	71,675,437
Less: Closing Stock of Finished Goods	138,161,072	157,004,144
	18,843,072	(85,328,707)
	19,597,823	(74,903,438)

NOTE NO. 17 - Employee Benefits Expense

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Salary and Bonus	9,986,048	5,520,908
Staff Welfare Expense	834,883	169,128
Contribution to PF, EPF, ESIC, Etc.	83,273	221,247
Remuneration to Directors	1,140,000	1,135,200
	12,044,204	7,046,483

NOTE NO. 18 - Financial Charges

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Interest Expenses		
Interest On Term Loan	4,613,925	6,752,588
Interest On Bank OD	49,346,519	48,911,448
Interest On LC	-	-
Interest On Depositors & Bill Discounted And Others	26,608,278	44,916,820
Other Borrowing Cost		
Bank Charges, Commission and Processing Charges	4,738,814	2,689,620
ILC Charges	-	6,471
	85,307,536	103,276,947

Note No. 19 - Administrative And Selling Expenses

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
Audit Fees	212,000	138,000
Advertisement Expenses	5,100	60,373
Commission On Sales	574,935	579,106
Donation Expenses	116,111	649,111
Misc. Expenses	1,370,695	1,015,225
Central Sales Tax	1,911,326	6,171,282
Excise Duty	17,734,125	20,278,653
Demrage Charges	832,937	193,824
Loading & Unloading Charges	1,455,043	1,413,571
Transport Charges	15,290,589	11,453,402
Power Consumption	23,136,614	25,105,945
Wages Charges	3,369,002	5,949,414
Interest on IT, CST, Vat, TDS & Other	5,300	257,637
Income Tax Expenses	1,061,909	918,451
Insurance Expenses	419,609	173,765
Lease Rent	67,000	24,000
Legal & Professional Fees	3,496,517	3,582,600
Security Charges	1,316,708	1,414,000
Labour Charges	615,135	269,121
Licence Fees	94,500	187,576
Municipal Tax	1,122,589	542,351
Petrol Expenses and Conveyance	168,614	226,190

Postage & Courier Expenses	41,262	76,697
Printing & Stationary Expenses	128,456	553,568
Rating Fees	75,000	-
Repair & Maintenance	760,651	1,275,446
Service Tax	519,512	3,788,756
Stamping Expenses	898,320	607,200
Telephone Expenses	236,918	290,996
Testing Fees	66,431	68,934
Travelling Expenses	2,032,749	903,246
Value Added Tax	10,345,083	32,178,089
Listing Fees	-	49,777
GST Expenses	25,745,876	-
	115,226,615	120,396,306

20. SIGNIFICANT ACCOUNTING POLICIES

(i). BASIS OF PREPARATION:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis. Accounting Policies have been consistently applied by the company.

(ii). USE OF ESTIMATES:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statement are prudent and reasonable. Future results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

(iii). INVENTORY:

Inventories are valued as under;

- a) Finished goods at cost including production overheads.
- b) Packing Materials and Work In Progress at cost.

All the duties and taxes have been considered while valuing the inventory, in accordance with provisions of section 145A of the Income Tax Act, 1961.

(iv). REVENUE RECOGNITION:

In appropriate circumstances, revenue is recognized on accrual basis when no significant uncertainty as to determination or realization exists.

Sales are accounted for on gross sales including excise duty & value added Tax.

Sales are accounted on dispatch of goods from the company premises.

All the items of expenses and income are accounted on accrual basis.

(v). PROPERTY, PLANT AND EQUIPMENTS AND DEPRECIATION:

Tangible property, plant and equipments are stated at cost of acquisition includes inward freight, non-refundable duties, taxes and other directly attributable incidental expenses, net of CENVAT credit and value added tax. Depreciation is provided as per the Written Down Value Method on the basis of useful life specified in the schedule II of the Companies Act, 2013.

(vi). EMPLOYEE BENEFITS:

Short - Term Employee Benefits:

Bonus :

The Company has provided for Bonus, payable to its employees, for their services rendered during the year, as per the Company's rules and

policy, on an undiscounted basis.

(vii). BORROWING COST:

Borrowing Cost relating to acquisition, construction of fixed assets or production of qualifying assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to period till such assets are ready to be put to use . Other borrowing Cost are recognized as an expense in the period in which these are incurred.

(viii). SEGMENT REPORTING:

In terms of AS-17 on "Segment Reporting" the company neither has more than one business segment nor more than one geographical segment requiring separate disclosures as there are no more distinguishable component or economic environments of the enterprise engaged in providing individual product or service or a group of related products or services and the same are not subjected to different risks and returns either of business or geographical segments.

(ix). EARNING PER SHARE:

The basic earnings per Share is calculated by dividing the Net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. The basic and diluted EPS are same as the company has no potential Equity shares.

(x). TAXES ON INCOME:

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized if there is virtual certainty that sufficient future taxable income will be available against which such assets can be realized. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance sheet date to reassess realization. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

(xi). PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements.

21. ADDITIONAL NOTES TO FINANCIAL STATEMENTS:

21.1 CONTINGENT LIABILITIES NOT PROVIDED FOR:

There are no contingent liabilities which are not provided for.

21.2 EARNINGS PER SHARE (EPS):

Weighted Average No. Of Equity shares. (Weighted Average is calculated on day basis)	8290252
Profit after tax for the year (Rs)	3,13,67,226
Earning per share (Rs.)	3.78

21.3 In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

21.4 Balances of Debtors, Creditors and Loans & Advances are subject to confirmation. Adjustments, if any, will be made at the time of reconciliation of accounts. The confirmation in respect of sundry creditors has been called for during the year.

21.5 RELATED PARTY TRANSACTIONS:

List of Related Party with whom transaction were effected during the year :

Sr. No.	Name	Relation
1	Rajesh R. Mittal	Key Managerial Person
2	Preeti R. Mittal	Key Managerial Person
3	Rajat R. Mittal	Relative of Key Managerial Person

Details of Related Party Transactions:

Particulars	2017-18	2016-17
Loans Accepted/(Repaid) :		
Rajesh R. Mittal	80242792	195407399
Rajesh R. Mittal	(67995771)	(202204579)
Preeti R. Mittal	162724093	80604544
Preeti R. Mittal	(135487506)	(72707611)
Rajat R. Mittal	-	3790008
Rajat R. Mittal	-	(3790008)
Interest :		
Rajesh R. Mittal	3010063	1153396
Preeti R. Mittal	3926732	1636526
Rajat R. Mittal	Nil	Nil
Remuneration		
Rajesh R. Mittal	600000	600000
Rajat R. Mittal	Nil	Nil
Preeti R. Mittal	540000	540000
Rent Paid		
Rajesh R. Mittal	Nil	Nil

21.6 LEASE:
Operating Lease Details:

Sr. No.	Particulars	Details
1.	Land at Ahmedabad	24Th April, 2002
	Period of Lease Agreement	30 Years
	Total Lease Rent p.a	Rs. 67000 /-

21.8 Previous year's figures have been regrouped / reclassified to make them comparable with those of the current year, wherever necessary.

21.9 Figures have been rounded off to the nearest rupees.

SIGNATURES TO NOTES 1 TO 21
As Per Our Report of even date

For, **Y.J MALKANI & CO**
Chartered Accountants
Firm Registration No : 143143W

For and on behalf of the Board

Sd/-
Yashin J. Malkani
Membership No.: 173492
Place: Ahmedabad
Date: 30/05/2018

Rajesh R Mittal Director Sd/- Place: Ahmedabad Date: 30/05/2018	Preeti R Mittal Director Sd/- Place: Ahmedabad Date: 30/05/2018	Nikhil Vadera Company Secretary Sd/- Place: Ahmedabad Date: 30/05/2018
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RIDDHI STEEL AND TUBE LIMITED

CIN: L27106GJ2001PLC039978

83/84, VILLAGE - KAMOD, PIPLAJ PIRANA ROAD, POST - ASLALI, AHMEDABAD GJ 382427 IN

Phone No: 079-29700922

Email id: info@riddhitubes.com Website: http://www.riddhitubes.com/

17th Annual General Meeting

FORM NO. MGT-11

PROXY FORM

[Pursuant To Section 105(6) Of Companies Act, 2013 And Rule 19(3) Of The Companies (Management And Administration) Rules, 2014]

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

I/We, being the member(s), holding _____ shares of the above named Company, hereby appoint:

- (1) Name _____ Address _____
E-mail ID: _____ Signature _____ or failing him/her
- (2) Name _____ Address _____
E-mail ID: _____ Signature _____ or failing him/her
- (3) Name _____ Address _____
E-mail ID: _____ Signature _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Seventeen Annual General Meeting of the Company, to be held on September 27, 2018 at 11 a.m. at Registered Office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Vote: Refer Note No 4		
		For	Against	Abstain
	Ordinary Business:			
1	To receive, consider and adopt Audited Financial Statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon. (Ordinary resolution)			
2	To appoint Mrs. Preeti Rajesh Mittal who retires by rotation and being eligible offers herself for reappointment. (Ordinary resolution)			
3	To Appoint Auditor of the company to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration and to pass the resolution thereof. (Ordinary resolution)			
4	Ratification of remuneration of Cost Auditors:			
5	Appointment of Independent Director			

Affix
Revenue
Stamp
Re. 1/-

Signed this _____ day of _____ 2018 Signature of shareholder(s) _____

- Note:
- For the Resolutions, Explanatory Statements and Notes, please refer to the notice of the Annual General Meeting.
 - This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 - A Proxy need not be a member of the Company.
 - It is optional. To indicate your preference please put 'X' in appropriate column. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.
 - Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip / Proxy.



RIDDHI STEEL AND TUBE LIMITED

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Phone No: 079-29700922

Email id: info@riddhitubes.com Website: http://www.riddhitubes.com/

17th Annual General Meeting on Thursday, 27th September 2018 at 11:00 AM

ATTENDANCE SLIP

I/We hereby record my/our presence at the 17th Annual General Meeting of the Company held at 83/84, Village - Kamod, Piplaj Pirana Road, Post - Aslali, Ahmedabad Gujarat 382427 IN on Thursday, 27th September, 2018 at 11:00 A.M

Folio No./Client ID/DPID No.: _____

Full Name of the Shareholder: _____

Signature: _____

Full Name of Proxy: _____

Signature: _____

(To be filled in if the proxy attends instead of the Member)

Signature of the Member/Proxy: