RAMA
AN ISO 9001 2008 CO

Rama Steel Tubes Ltd.

Manufacturers & Exporters : ERW Steel Tubes (Black & Galvanised)
CIN : L27201DL1974PLC007114
Regd. Office
No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi-110092 Ph. : 011-43656667, 43656668 Fax : 011-43656699
E-mail : investors@ramasteel.com, info@ramasteel.com, Website : www.ramasteel.com

Date: October 9, 2017

The Manager – Listing National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 **Symbol: RAMASTEEL**	The Secretary BSE Limited, Corporate Relationship Dept., P. J. Towers, Dalal Street, Mumbai - 400 001. **Scrip Code: 539309**

Dear Sir,

Sub: Annual Report for the financial year 2016-17

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report for the financial year 2016-17, duly approved and adopted by the members of the Company at the 43rd Annual General Meeting of the Company held on Friday, September 29, 2017.

You are requested to take the same on your records.

Yours faithfully

For **Rama Steel Tubes Limited**

Datta

Kapil Datta
Company Secretary

RAMA STEEL TUBES LTD. NEW DELHI

Encl.: As above

Rama Steel Tubes Ltd.

43rd ANNUAL REPORT 2016-17

GROWTH STEEL
SOLID COMMITMENT

GROWTH STEEL SOLID COMMITMENT

Sh. Harbans Lal Bansal
(01-04-1930 to 20-02-2009)

Sh. Harbans Lal Bansal, a charismatic personality, was the founder Promoter of RAMA.

Born in an average family in Punjab, he shifted to Delhi in Mid-60s and made a very humble beginning by setting a trading firm in pipes and other steel products. Just in a period of around 5 Years, he became a name of fame in the Steel Pipe Industry. He started being recognized as the symbol for quality and trust.

Buoyed by the success in Trading and getting full support from his other family members, he decided to set up his own manufacturing unit. That brought RAMA STEEL TUBES LIMITED (RSTL) into existence in the Year 1974, which started its first manufacturing Unit at Sahibabad in the Year 1981. After that he did not see back and kept expanding his business empire. Under his able leadership, RSTL kept consolidating its position in the market which showed up in its financial statements.

Within his organization he was a friend, philosopher and guide to colleagues and workers, leading them with compassion and supporting them through thick & thin.

He was a great visionary and dynamic leader. Under his stewardship & valuable guidance, the Company has today achieved its present prestigious name & position in “Steel Tube” Industry. Sh. Harbans Lal Bansal was much more than just a successful leader.

OUR VISION

To sustain our position as one of India's valuable enterprise through highest standards of quality creating greater value for India's economy and our stakeholders.

OUR MISSION

To emerge as a leading manufacture in steel tube industry on the strenghts of our quality and strenght. To serve the satisfaction of our customers by producing products that are symbols of durable exllence. To add every possible value in the service in pursuit of a stronge and long term bonds with our customers.

RAMA STEEL TUBES LTD.

"Rama Steel Tubes Limited" was incorporated in the year 1974 at Delhi. Under dynamic leadership and great visionary of Sh. Harbans Lal Bansal, founder and promoter with vast experience of over five decades in the industry of steel pipes and tubes. Sh. Harbans Lal Bansal's stewardship & valuable guidance has led the Company to achieve its prestigious name and position in "Steel Tube" Industry today.

Initially in 1981, Set up a unit at B-21, Industrial Area Site No. 4, Sahibabad (Uttar Pradesh), an industrial area approximately 10 kms from the National Capital of India Delhi with good connectivity to both road & rail transport.

In the year 1987, Rama Steel started another plant to manufacture galvanized black pipes. Received contracts and orders from D.G.S&D and several other government departments.

In the year 1990, In addition to the IS-1239 and IS-1161, Rama Steel started manufacturing larger dia Pipes as per IS-3589 & IS-4270 under the able guidance of qualified technical team, mandatory to manufacture the steel pipes. IS Specification and Company's Trade Mark "TTT Rama" or "Gujrat Rama" are embossed at the distance of every meter of the pipe and have become symbolic with the product of the Company.

Within close proximity to our previous plant, Company set up another plant at B-5, Industrial Area Site No. 4, Sahibabad (Uttar Pradesh) in the year 2001.

Plants at B-21, Industrial Area Site No. 4, Sahibabad (Uttar Pradesh) and B-5, Industrial Area Site No. 4, Sahibabad (Uttar Pradesh) have total installed capacity to manufacture 60,000 Metric tonnes per annum.

To improve profitability and to enter in the western region, established one more plant at Khapoli, Distt. Raigad, Maharashtra (Near Navi Mumbai) with an initial installed capacity of 36,000 metric tonnes per annum. This has been fully utilized and we have now doubled the capacity to 72,000 metric tonnes per annum in July, 2016. Initial production started from April, 2015.

In early FY18, the Company installed a solar project with a capacity of 750 KWp. This Solar project will generate 1100 MWh / Year of energy, same amount of energy required to power the installed and new upcoming capacities. An array of 2400 solar panels carpets the land, converting sunlight into electrical currents. It will save money and energy while also protecting the environment. The estimated amount of reduction in the Carbon Footprint will reduce by 1120 MT pa by reducing the emission of Carbon dioxide into the atmosphere.

Rama Steel Tubes Ltd. unveiled one of the India's largest solar energy projects of its kind in the ERW pipes segment. The Company has executed the entire project in less than 3 months' time at a cost of 3.75 crores. Working with Visa Powertech Pvt. Ltd, sustainable energy developer, the Company has mounted 2,400 solar panels on the factory land at its Khopoli facility, Maharashtra - an area equivalent to 3.75 acres.

These facility is going to boost the performance of the Company. In line with its vision of profitable growth, the Company has been successful in further strengthening its presence in highly profitable geographies.

We are continuously developing innovative processes to modernize production, with a plan to introduce new dia sizes of ERW products for customers to help them create more sustainable society.

We now enjoy an established brand name in the steel tube industry across region with a turnover of more than Rs. 243 crores per annum and a strong sales network comprising of dealers, distributors and stockiest in all parts of the country.

For those who never compromise with the quality and strength, our products have become a symbol of excellence and first choice.

In the last decade, we have also entered into international markets with exports of galvanized pipes.

Despite the stiff competition in Domestic and Export Markets, Rama Steel has been able to establish itself at all level of markets be it local market, government procurement and export.

CHAIRMAN'S SPEECH

Dear Fellow Shareowners

It gives me great pleasure to share with you the highlights of our Company's performance for the financial year ended March 31, 2017.

In the year gone by, we witnessed a number of interesting developments that directly or indirectly affected the performance of the Company. Our facility in Khopoli, Maharashtra, has performed beyond our expectations after it came into existence in July 2015. This along with increasing enquiries from dealers and distributors from the Western Region gave us the confidence to move ahead with our expansion plans. In the second phase of the expansion the capacity at Khopoli was doubled to 72,000 mtpa in the month of August 2016 and we have witnessed a similar response for the expanded capacity as well. Khopoli for us is an important location and we look forward to leverage upon this capacity.

Next in our line of expansion was the region of South India. We have identified Lepakshi as the location of our facility. I am very happy to let you know that the work is in the completion stage and we will commence production from this facility soon.

Another major policy related measure was undertaken by the Government of India and that was Demonetisation process. It was a massive exercise and had a significant impact on various aspects of the economy. Our business was also impacted especially in the two months of January and February, but the impact was below the estimated fraction and that enabled us to move ahead with our other planned expansions.

With the advent of the hollow sections the pipe industry has witnessed a major turnaround and continues to gain from it. The hollow sections are finding their use in more and more industries. The growth rate of the ERW industry continues to remain impressive. The construction market for steel pipe experienced slower growth in last few years. However, it is expected to see accelerated growth going forward as construction activity improves in developed regions such as Western Europe and continues to experience strong growth in many developing countries. The global demand for steel pipe is forecast to advance 3.5% per annum through 2019 to 79.7 million metric tones, according to Metal Bulletin Research

Steel makes up the clear majority of pipe used in oil and gas transportation. Demand for oil and gas pipe saw healthy growth between 2009 and 2014, driven by growth in China and North America; however, advances are expected to increase at a slower pace due to slowing exploration and drilling activities. This slowdown is expected to be countered by increased construction spending and steel pipe used in equipment manufacturing, expected to see above-average growth through 2019. Construction of new manufacturing plants, particularly in developing regions, will be a major supporter of growth.

Business Performance

The consolidated financial performance for the twelve months ended March 31, 2017, is as follows:

- Total revenue stood at Rs. 260 crore for the year ended March 31, 2017, as against Rs. 242 crore for the corresponding previous period, an increase of 7%. This growth has been driven across all product segments. Our operating efficiencies combined with capacity expansion has benefited us a lot. Despite the challenging market conditions and impact of demonetization, the Company achieved its target for the full year.
- The EBIDTA (earnings before interest, depreciation and tax) was Rs. 20 crore for the year ended March 31, 2017, as against Rs. 15 crore for the corresponding previous period, an increase of 36%
- The EBIDTA Margin (earnings before interest, depreciation and tax margin) stood at 7.6% for the year ended March 31, 2017, as against 6.0% for the corresponding previous period, an increase of 160bps
- The profit after tax for the financial year ended March 31, 2017 was Rs. 9 crore as against Rs. 6 crore for the corresponding previous period, an increase of 50%
- The PAT Margin stood at 3.5% for the year ended March 31, 2017, as against 2.5% for the corresponding previous period, an increase of 100bps
- EPS for the year ended March 31, 2017 was Rs. 6.07, as against Rs. 4.03 for the corresponding previous period, an increase of 51% for a face value of Rs. 5 per share

Future Plans

Our first phase of expansion and going pan-India started in the financial year 2016 and in the financial year 2017 we decided to leap frog with the expansion strategy. We plan to add another 60,000 mtpa capacity at Khopoli and begin our South India facility with an initial capacity of 36,000 mtpa.

Further capacity expansions will be intimated to our valued shareholders at the appropriate time. Also, incremental contribution from value added products will remain an important part of our strategy. We are confident that in the coming years, along with the growth in domestic consumption & growth in economy, we continue to penetrate in the market.

In the last annual report, we committed that we would like to maintain a leaner balance sheet and I am happy to state that we walked our talk. We are committed to financial prudence and would always want to make most prudent use of the financial resources. Our intentions have always been to be operationally and financially efficient and generate best possible returns for our shareholders and we will continue to do our best on this front as well.

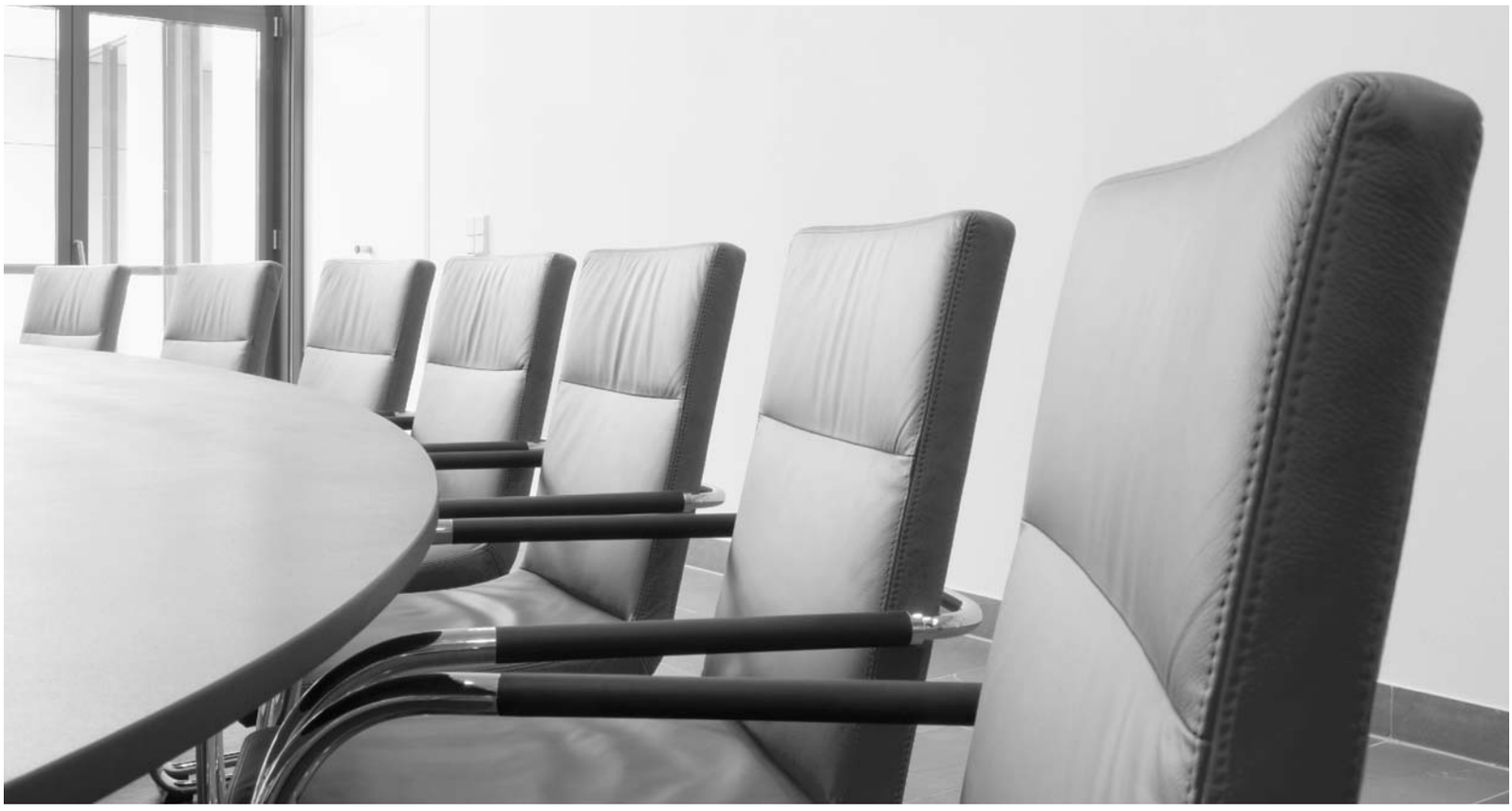
Barring unforeseen circumstances, the Company is confident of achieving better results in the current year.

I thank you all for your immense support and continued confidence in the management of our Company. I also like to thank all our stakeholders –distributors, customers, employees, partners, shareholders, business associates and society at large, for their faith in us.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Please refer Directors' Report in this respect.

with warm regards,

Naresh Kumar Bansal
Chairman & Managing Director



BOARD OF DIRECTORS

Naresh Kumar Bansal
Chairman & Managing Director

Mr. Naresh Kumar Bansal, is the Managing Director of the Company and is an entrepreneur with dynamic vision and sharp business acumen. He is a graduate in law and has been in the Industry of manufacturing of "Steel Tubes" for more than 30 years. He is well versed with the technical aspects of manufacturing of steel tubes and is competent enough to customize the production according to the requirements of the customers. He controls the entire production and dispatches of the company and oversees the production & planning departments of the Company. Apart from it, he is also overseeing the financial affairs of the Company and is responsible for the Financial Planning and fund-raising.

Richi Bansal
Director

Mr. Richi Bansal, is the Director of the company and is highly motivated and ambitious person. He did B. Sc (Hons.) in Management from Bradford University, U.K. and did his internship from a reputed company called BIE (Marketing & Advertising). He is thoroughly professional in approach and is overseeing the marketing department of the Company and is instrumental in taking the products of the Company to overseas markets. He is exploring new avenues to augment the turnover of the company. The Company expects its turnover to expand manifold under his able guidance and leadership.

Bharat Bhushan Sahny
Non-Executive Independent Director

Mr. Bharat Bhushan Sahny is the Independent Non Executive Director of our Company. Mr. Sahny had graduated in commerce from Sri Ram College of Commerce, Delhi. In 1962, he joined the stock broking business. He also held the position of Director on the Board of Delhi Stock Exchange for 27 years. He also held the position of Vice President and President in "DSE" and was instrumental in getting online Trading started in "Delhi Stock Exchange". During his tenure as "President" of Delhi Stock Exchange, the daily turnover touched record time high at Rs.1000 crores. He also held the position of Chairman of "Investors Awareness Committee" for many years and was instrumental in promoting investment culture in North India by conducting investor awareness seminars at multiple places.

Rajendra Prasad Khanna
Non-Executive Independent Director

Mr. Rajendra Prasad Khanna, is a qualified Electrical Engineer and has a rich experience of more than 40 years in steel tubes industry in various companies at different levels. The Company believes that it will be able to immensely benefit from its rich experience in the steel tubes industry.

Mrs. Anju Gupta
Non-Executive Independent Director

Mrs. Anju Gupta is a first generation entrepreneur. Her dynamic approach in business gives guidance inachieving targets in a dynamic and complex business environment. She joined RAMA in January 2017 as Independent Director in the Board of Directors of the Company.

Mr. Surender Kumar Sharma
Director

Mr. Surender Kumar Sharma is a Commerce Graduate from Meerut University. He joined Rama Group in the Year 1986 and over the last three decades, has contributed significantly across different managerial functions in the Company. His hard work and ability to persevere, on many occasions, had added tremendous value and benefited the organization.

Global Presence

Exports in UAE, UK, Europe, Middle East Africa

INFRASTRUCTURE

REGISTRED OFFICE

No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi -110092
Telephone No.: 011-4365667, Fax No.:011-43656699

Works

1. B-21, Site No.4, Industrial Estate, Sahibabad, Uttar Pradesh
2. B-5, Site No.4, Sahibabad Industrial Area, Uttar Pradesh
3. 151, Village Umbare Talik, Khalapur, Khopoli, Pali Road, Distt. Raigad, Maharashtra

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Naresh Kumar Bansal - Chairman & Managing Director
Mr. Richi Bansal - Director
Mr. Surender Kumar Sharma - Director
Mr. Bharat Bhushan Sahny – Independent Director
Mr. Rajendra Prasad Khanna - Independent Director
Mrs. Anju Gupta - Independent Director

COMPANY SECRETARY

Mr. Kapil Datta

STATUTORY AUDITORS

M/s VAPS & Co., New Delhi

SECRETARIAL AUDITORS

M/s Arun Kumar Gupta & Associates
New Delhi

COST AUDITORS

M/s S. Shekhar & Co.,New Delhi

REGISTRAR AND SHARE TRANSFER AGENT TO THE COMPANY

Bigshare Services Private Limited
4E/8, First Floor, Jhandewalan Extension,New
Delhi-110055
Email-bssdelhi@bigshareonline.com
Phone No.-011-23522373
FAX No. -011-23522373

REGISTERED OFFICE

No. 7, 1st Floor, Surya Niketan,
Vikas Marg, New Delhi-110092.
Telephone No.: 011-43656667
Fax No.:011-43656699

WORKS

1. B-21, Site No.4, Industrial Estate, Sahibabad, Uttar Pradesh
2. B-5, Site No. 4,Sahibabad Industrial Area, Uttar Pradesh.
3. 151, Village UmbareTalik, Khalapur, Khopoli, Pali Road, Distt. Raigad, Maharashtra

BANKERS

Canara Bank
Punjab National Bank
HDFC Bank Limited

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DIRECTORS' REPORT

DIRECTORS' REPORT

To the Members,

The Directors submit annual report of the Rama Steel Tubes Limited (the "Company" or "RAMA") along with the audited financial statements for the financial year ended March 31, 2017.

FINANCIAL RESULTS

(₹ in Lacs)

	Consolidated		Standalone	
Particulars	**2016-17**	**2015-16**	**2016-17**	**2015-16**
Gross Turnover	25972.58	24194.89	23487.60	21545.58
Other Income	384.07	308.24	348.83	307.80
Total Revenue	26356.65	24503.13	23836.43	21853.38
Profit before Interest, Depreciation and tax	2324.54	1765.83	2184.37	1670.86
Financial Expenses	762.18	618.39	760.66	616.33
Depreciation	291.03	284.81	290.83	284.77
Profit before tax	1271.33	862.63	1132.89	769.76
Provision for taxation	364.85	260.30	364.85	260.30
Profit after tax	906.48	602.33	768.04	509.46

COMPANY'S PERFORMANCE

RAMA, on a standalone basis achieved 9.01% growth in its net sales to 23487.60 lakhs in 2016-17 as against 21545.58 lakhs in 2015-16.

The operating profit before finance costs, depreciation and tax grew by 30.73% to ₹ 2184.37 lakhs in financial year 2016-17 as compared to ₹1670.86 lakhs in financial year 2015-16.

Profit after tax was ₹ 768.04 lakhs in year 2016-17 as compared to ₹ 509.46 lakhs of preceding year.

DIVIDEND

The Board does not recommend any dividend for the year under review.

EQUITY SHARE CAPITAL

The Company has issued 11,00,000 Equity Shares of ₹ 5/- each on preferential basis to the persons belonging to non-promoter category.

Consequently the issued, subscribed and paid-up equity share capital has increased from ₹ 7,46,70,000 divided into 1,49,34,000 Equity shares of ₹ 5/- each to ₹ 8,01,70,000 divided into 1,60,34,000 Equity shares of ₹ 5/- each.

FULLY CONVERTIBLE WARRANTS

The Company has issued 15,00,000 fully convertible warrants on preferential basis to the persons belonging to promoter category.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of this Annual Report.

SUBSIDIARY COMPANY

During the year 2016-17, the Company acquired 100% stake in Lepakshi Tubes Private Limited. As on March 31, 2017, your Company had 2(two) subsidiaries Companies wherby 1(one) entity is registered in India and 1(one) is registered outside India. The Consolidated profit and loss account for the period ended March 31, 2017 includes profit and loss account for these 2(two) subsidiaries.

The 2(two) subsidiaries are:

1. RST International Trading FZE
2. Lepakshi Tubes Private Limited

A separate statement containing the salient features of the financial statements of subsidiaries of the Company in the prescribed form AOC-1 has been disclosed in the Consolidated Financial Statements.

PUBLIC DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, there are no unclaimed or unpaid deposits lying with the Company for the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment of Directors:

Mr. Surender Kumar Sharma (DIN - 03594435) was appointed as Additional Director (Executive Director) of the Company with effect from 4th May 2016 and who holds office upto the date of next general meeting, was appointed as Director by the shareholders of the Company in AGM held on 30th September 2016.

Mrs. Anju Gupta (DIN - 06958607) was appointed as Additional Director (Non-Executive Independent Director) of the Company with effect from 25th January 2017 and who holds office upto the date of next general meeting, was appointed as Director by the shareholders of the Company in EGM held on 3rd March 2017.

Mrs. Hannya Dhir resigned from the Board of Directors of the Company with effect from 25th January 2017.

Retirement by Rotation:

As per the provisions of the Companies Act 2013 and the Articles of Association of the Company, Mr. Richi Bansal, Director of the Company will be retiring by rotation at the ensuing AGM and being eligible has offered himself for re-appointment.

The details pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 relating to appointment and re-appointment of directors at the AGM are provided in the Notice to the members.

Committees of the Board of Directors:

The Company has constituted the following committees in compliance with the Companies Act 2013 and SEBI (Listing

Obligations and Disclosure Requirements) Regulations 2015:

1. Audit Committee,
2. Nomination and Remuneration Committee and
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The Board has accepted all the recommendations of the above committee(s).

DIRECTORS' RESPONSIBILTY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;

b) that the selected accounting policies were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual accounts have been prepared on a going concern basis;

e) the directors had laid down internal financial controls to be followed by the Company and such internal financial control are adequate and were operating effectively; and

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and were operating effectively.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2017, the Board consist of 6 members, three of whom are executive and three are independent directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

DECLARATION BY INDEPENDENT DIRECTOR(S)

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

EXTRACT OF ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013, an extract of annual return is given in Annexure -I in the prescribed Form MGT-9, which forms part of this report.

NUMBER OF MEETINGS OF THE BOARD

Twelve meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES

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 / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to Note 33 to the Standalone financial statement which sets out related party disclosures. The particulars of contracts and arrangements entered into by the company with related parties referred to in Section 188 in Form AOC-2 is attached herewith as Annexure- II.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

At 42nd AGM held on September 30, 2016, M/s. VAPS & COMPANY, Chartered Accountants, were appointed as statutory auditors of the company to hold office till the conclusion of the AGM to be held for the financial year 2017-18. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditor shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. VAPS & COMPANY, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditors

The Board has appointed M/s Arun Kumar Gupta & Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as Annexure - III to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors

The Board has appointed M/s. S. Shekhar & Co., Cost Accountants, for conducting the audit of cost records of the Company for Steel pipe Segment for the financial year 2016-17.

Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments given under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

CORPORATE SOCIAL RESPONSIBILITY

We at RAMA aim to create economic value and to actively contribute toward the development of a sustainable society by taking up projects for the common good through responsible business practices and good governance. In line with the requirement of Section 135 of the Companies Act 2013 your Company having a Corporate Social Responsibilty Committee. The details of Committee and the terms of reference are provided in corporate governance report. The CSR Policy of the Company is available on its website at the link: http://ramasteel.com/cms/policy-and-code-of-conduct.

The areas for CSR activities are of Skill Development and Vocation based education, Livelihood enhancement, Waste Management and Sanitation, Environmental sustainability, Women and Youth empowerment, Disaster Relief, National Missions projects which are specified in Schedule VII of the Companies Act, 2013.

The Company is in the process of formalising the Scheme for CSR expense and has created a provision of ₹ 752,000 during the year.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Fraud-free and corruption free work culture has been the core of the Company's functioning. In view of the potential risk of fraud and corruption due to rapid growth and geographical spread of operations, the company has put even greater emphasis to address the risk.

To meet this objective, a Whistle Blower Policy has been laid down. The same policy is approved by the Board was uploaded on the Company's website (www.ramasteel.com).

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. No complaint has been received for sexual harassment of women at work place by the Company during the financial year 2016-17.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Companies Act, 2013 and Corporate Governance requirements as prescribed by SEBI(Listing Obligation and Disclosure Requirements), Regulation 2015.

PARTICULARS OF EMPLOYEES RELATED DISCLOSURES

a. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below **:**

i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company fo the financial year:

Non-executive directors	Ratio to median remuneration
Mr. Bharat Bhushan Sahny	N.A.
Mr. Rajendra Prasad Khanna	N.A.
Mrs. Hannya Dhir	N.A.
Mrs. Anju Gupta	N.A.

Executive directors	
Mr. Naresh Kumar Bansal	23.50
Mr. Richi Bansal	19.62

ii. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Bharat Bhushan Sahny	N.A.
Mr. Rajendra Prasad Khanna	N.A.
Mrs. Hannya Dhir	N.A.
Mrs. Anju Gupta	N.A.
Mr. Naresh Kumar Bansal, Managing Director	12.39%
Mr. Richi Bansal, Executive Director	25.98%
Mr. Rajkumar Malik, Chief Financial Officer	7.61%
Mr. Kapil Datta, Company Secretary	35.67%

b. The percentage increase in median remuneration of employees in the financial year: 12.61 %

c. The number of permanent employees on the rolls of Company : 122

d. Variations in the market capitalisation of the Company, price earning ratio as at the closing date of the current financial year and previous financial year : N.A.

e. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: N.A.

f. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was 4.44%.

Increase in the managerial remuneration for the year was 25.24%.

g. The Company affirms that the remuneration is as per remuneration policy of the Company.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there is no such employee drawing remuneration in excess of the limits set out in the said rules and are required to be disclosed.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 enclosed as Annexure IV.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A) CONSERVATION OF ENERGY :

a) The Company has always been particular to conservation of energy on continuous basis by closely monitoring energy consuming equipment involving use of energy generating diesel set and power purchased from Electricity Board e.g. size of the Equipments is optimum to save energy. The low-efficient Machinery and Equipments are identified and replaced.

b) Keeping in view the nature of the manufacturing process no additional investment is proposed and hence further consumption of energy is ruled out in the near future.

c) No specific studies regarding impact of the above measures of (a) and (b) have been carried out and the cost impact of energy cost and energy saving measures on cost of production of goods is not material, as it forms a very low percentage vis-a vis the cost of Company's product.

d) Total energy consumption and energy consumption per unit of production is given as per Form-A.

B) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION :

I. RESEARCH AND DEVELOPMENT (R&D)

i. Specific area in which R & D carried out by the Company :
There is no specific area in which the Company has carried the R & D. However, the Company is continuously making efforts for improvements in its production process for better productivity and cost efficiency.

ii. Future plan of action
The Company plans to monitor continuously the plant efficiency thus reducing the shortage and reducing the cost of production.

iii. Expenditure on R & D
The company did not incur any Expenditure on R & D.

II. TECHNOLOGICAL, ABSORPTION, ADAPTATION & INNOVATION :

i. Efforts made towards Technology Absorption :
For the goods manufactured by the Company there is a simple process of ERW manufacturing technique and the Company has already adopted the same and no innovations have been carried by the company, as there is no other available alternative that would ensure further cost efficiency.

ii. Particulars relating to imported technology :
The Company has not imported any technology and the plant is working with completely Indigenous Technical know-how.

C) FOREIGN EXCHANGE EARNING AND OUTGO :

(₹ in Lacs)

		Current year	Previous year
a)	Total Foreign Exchange Earning	2970.44	3105.43
b)	Total Foreign Exchange Outgo	68.07	2073.12

FORM 'A'

POWER AND FUEL CONSUMPTION

		Current Year	Previous Year
1.	Electricity		
	(a) Purchased Unit	3842917	4340642
	Total amount (in Rs.)	32023166	34943043
	Rate/unit	8.33	8.05
	(b) Own generation		
	Through Diesel Generator Unit	108322	182636
	Unit per Litre of Diesel Oil	4.74	4.61
	Total Amount (in Rs.)	1188341	1932286
	Cost/Unit	10.97	10.58
2.	Furnace Oil Quantity(litres)	195925	255124
	Total Amount (in Rs.)	5850322	5668602
	Average Rate Rs./litre	29.86	22.22

CONSUMPTION PER UNIT OF PRODUCTION

		ELECTRICITY (UNIT)		FURNACE OIL/GAS (LITRE/SQ. CUBIC MTR)	
NAME OF PRODUCT	**UNIT**	**CURRENT YEAR**	**PREVIOUS YEAR**	**CURRENT YEAR**	**PREVIOUS YEAR**
Black Steel Tubes/Pipes	Per Ton	66.50	72.51	--	--
Galvd. Steel Tubes/Pipes	Per Ton	70.49	76.84	24.22	25.39

***Current year consumption is in Litre(Furnace Oil) and in previous year the consumption is in sq. cubic mtr(Furnace**

ACKNOWLEDGEMENT

The Directors acknowledge the contributions made by the employees towards the success and growth of the company. Your Directors also take this opportunity to express sincere thanks to the Government Authorities, Financial Institutions and the Bankers for their co-operation and assistance to the Company. The Directors would also like to acknowledge the continued support of the Company's shareholders in all its endeavors.

Sd/-
(Naresh Kumar Bansal)
Chairman & Managing Director

Place: Delhi
Date: August 14, 2017

Annexure - I

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 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 & OTHER DETAILS:

1	**CIN**	L27201DL1974PLC007114
2	**Registration Date**	26.02.1974
3	**Name of the Company**	Rama Steel Tubes Limited
4	**Category/ Sub-Category of the Company**	Public Company
5	**Address of the Registered office and contact details**	No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi –110092 Contact No. 011-43656667,43656668 FAX No.- 011-43656699 Email - info@ramasteel.com; investors@ramasteel.com Website-www.ramasteel.com
6	**Whether listed company**	Yes
7	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Bigshare Services Private Limited 4E/8, First Floor, Jhandewalan Extension,New Delhi-110055 Email-bssdelhi@bigshareonline.com Phone No.-011-23522373 FAX No. -011-23522373

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing and Trading of Steel Pipes	24311	100%

III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name & Address of the Company	CIN / GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
1	RST INTERNATIONAL TRADING FZE, DUBAI	-	Wholly owned Subsidiary	100	2(87)(ii)
2	LEPAKSHI TUBES PRIVATE LIMITED	U28990DL2016PTC 302210	Wholly owned Subsidiary	100	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i)Category-wise Share Holding

Category of Shareholder	No. of Shares held on 31-March-2016				No. of Shares held on 31-March-2017				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	11043000	0	11043000	73.95	9543000	0	9543000	59.52	**-14.43**
b) Central Govt	0	0	0	0.00	0	0	0	0.00	**0.00**
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	**0.00**
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	**0.00**
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	**0.00**
f) Any other	0	0	0	0.00	0	0	0	0.00	**0.00**
Sub-total (A) (1):-	11043000	0	11043000	73.95	9543000	0	9543000	59.52	**-14.43**
(2) Foreign									**0.00**
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	**0.00**
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	**0.00**
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	**0.00**
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	**0.00**
e) Any Other….	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 shareholding of Promoter (A) = (A)(1)+(A)(2)	11043000	0	11043000	73.95	9543000	0	9543000	59.52	**-14.4**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	**0.00**
b) Banks / FI	49621	O	49621	0.33	112862	0	112862	0.70	**0.37**
c) Central Govt	0	0	0	0.00	0	0	0	0.00	**0.00**
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	**0.00**
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	**0.00**
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	**0.00**
g) FIIs	0	0	0	0.00	0	0	0	0.00	**0.00**
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	**0.00**
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	**0.00**
Sub-total (B)(1):-	49621	O	49621	0.33	112862	0	112862	0.70	**0.37**
2. Non-Institutions									
a) Bodies Corp.	699278	699278	0	4.68	1010610	0	1010610	6.30	**1,62**
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	951152	888000	1839152	12.32	2347735	222000	2569735	16.03	**3.71**

ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	738395	132000	870395	5.83	2111535	0	2111535	13.17	**7.34**
c) Others (specify)									
Non Resident Indians	56893	56893	0	0.38	20120	0	20120	0.13	**-0.25**
Clearing Member	375661	375661	0	2.52	666138	0	666138	4.15	**1.63**
Sub-total (B)(2):-	2821379	1020000	3841379	25.72	6156138	222000	6378138	39.78	**14.06**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2871000	1020000	3891000	26.05	6269000	222000	6491000	40.48	**14.43**
C. Shares held by Custodian for GDRs & ADRs									
Promoter and promoter group	0	0	0	0.00	0	0	0	0.00	**0.00**
Public	0	0	0	0.00	0	0	0	0.00	**0.00**
Sub-total (C)	0	0	0	0.00	0	0	0	0.00	**0.00**
Grand Total (A+B+C)	13914000	1020000	14934000	100.00	15812000	222000	16034000	100.00	**0.00**

B) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding 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	Naresh Kumar Bansal	7428000	49.74	0.00	5928000	36.97	0.00	-12.77
2	Kumud Bansal	540000	3.62	0.00	540000	3.37	0.00	0.00
3	Naresh Kumar & Sons (HUF)	180000	1.21	0.00	180000	1.12	0.00	0.00
4	Richi Bansal	1293000	8.66	0.00	1293000	8.06	0.00	0.00
5	Krati Bansal	300000	2.01	0.00	300000	1.87	0.00	0.00
6	Nikhil Naresh Bansal	1266000	8.48	0.00	1266000	7.90	0.00	0.00
7	Kanika Bansal	36000	0.24	0.00	36000	0.22	0.00	0.00

C) Change in Promoters' Shareholding

Sl. No.	Shareholder's Name	Shareholding of the promoters		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	**Naresh Kumar Bansal**				
	At the beginning of the year	**7428000**	**49.74**		
	Sale(-)/Purchase(+) during the Year	-1500000	(10.04)		
	At the end of the year			**5928000**	**36.97**

D) Shareholding Pattern of top ten Shareholders (Other than Directors and Promoters):

S. No.	Name of Shareholders (Top 10 Shareholders)	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	TARUN DHIR	0	0.00	954821	5.95
2	SHARE INDIA SECURITIES LIMITED	165609	1.11	294091	1.83
3	SHRI PARASRAM HOLDINGS PVT.LTD.	188300	1.26	46510	0.29
4	RASHI FINCORP LTD.	0	0.00	180000	1.12
5	SANGEETA PAREEKH	144000	0.96	0	0.00
6	KARNEE INVESTMENT PRIVATE LIMITED	0	0.00	140968	0.88
7	MOTILAL OSWAL SECURITIES LTD	2576	0.02	135729	0.85
8	DINESH PAREEKH	111000	0.74	0	0.00
9	SALASAR TECHNO ENGINEERING PRIVATE LIMITED	110000	0.74	0	0.00
10	AXIS BANK LIMITED	49491	0.33	102027	0.64
11	PUNE E STOCK BROKING PVT LTD	102021	0.68	106535	0.66
12	KISHAN GOPAL MOHTA	0	0.00	100000	0.62
13	RAMESH CHANDU KOTI	91350	0.61	23923	0.15
14	GLOBE CAPITAL MARKET LIMITED	141309	0.95	58252	0.36
15	SUMPOORNA PORTFOLIO LIMITED	82500	0.55	72823	0.45
16	AMIT SUREKA	78000	0.52	0	0.00
17	VRAJESH K SHAH	0	0.00	71000	0.44
18	CHARANJIT LAL DHIR	51000	0.34	67360	0.42

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during theYear	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	**Naresh Kumar Bansal**				
	At the beginning of the year	**742800**	**49.74**		
	Sale(-)/Purchase(+) during the Year	-1500000	(10.04)		
	At the end of the year			**5928000**	**36.97**
2	Richi Bansal				
	At the beginning of the year	**1293000**	**8.66**		
	At the end of the year			**1293000**	**8.06**

Note- The Company has allotted on March 29, 2017 11,00,000 Equity Shares of Rs.5/- each on preferential basis to persons belonging to Non-Promoter Category, due to which there is change in shareholding at the end of year.

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

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5359.93	348.64	NIL	5708.57
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	5359.93	348.64	NIL	5708.57
Change in Indebtedness during the financial year				
* Addition	365.30	773.20	NIL	1138.50
* Reduction	735.01	761.35	NIL	1496.36
Net Change	(369.71)	11.85	NIL	(357.86)

Indebtedness at the end of the financial year				
i) Principal Amount	4985.54	360.49	NIL	5346.03
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	4.68	NIL	NIL	4.68
Total (i+ii+iii)	**4990.22**	**360.49**	**NIL**	**5350.71**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Name of Other Executive Director		Total Amount
		Mr. Naresh Kumar Bansal, MD	Mr. Richi Bansal, Director	Mr. Surender Kumar Sharma	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	**25.00**	**19.00**	**2.59**	**46.59**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	**0.40**	**0.40**	**-**	**0.80**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	**-**	**-**	**-**	**-**
2	Stock Option	**-**	**-**	**-**	**-**
3	Sweat Equity	**-**	**-**	**-**	**-**
4	Commission - as % of profit - others, specify…	**-**	**-**	**-**	**-**
5	Others, please specify	**-**	**-**	**-**	**-**
	Total (A)	**25.40**	**19.40**	**2.59**	**47.39**
	Ceiling as per the Act	The Managerial Remuneration is within the limit, as prescribed under the Companies Act, 2013.			

B. Remuneration to other directors

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Bharat Bhushan Sahny	Mr. Rajendra Prasad Khanna	Mrs. Hannya Dhir	Mrs. Anju Gupta	
	Independent Directors					
1.	Fee for attending board committee meetings	**0.50**	**0.50**	**0.35**	**0.10**	**1.45**
	Remuneration by way of Commission	--	--	--	-	--
	Others, please specify	--	--	--	-	--
	Total (1)	**0.50**	**0.50**	**0.35**	**0.10**	**1.45**
2.	**Other Non-Executive Directors**					
	Fee for attending board committee meetings	--	--	--	--	
	Commission	--	--	--	--	
	Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)					**1.45**
	Total Managerial Remuneration Total=(A+B)					**48.84**

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.18	8.48	12.66
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit			
	-others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total	**4.18**	**8.48**	**12.66**

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					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure - II

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis-
None: During the Reporting Period, all the transactions not at arm's length basis.

a.	Name(s) of the related party and nature of relationship	Not Applicable
b.	Nature of contracts/arrangements/transactions	Not Applicable
c.	Duration of the contracts / arrangements/transactions	Not Applicable
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
e.	Justification for entering into such contracts or arrangements or transactions	Not Applicable
f.	Date(s) of approval by the Board	Not Applicable
g.	Amount paid as advances, if any	Not Applicable
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis
None: During the Reporting Period, there was no material* Contracts or Arrangement.

a.	Name(s) of the related party and nature of relationship	Not Applicable
b.	Nature of contracts/arrangements/transactions	Not Applicable
c.	Duration of the contracts / arrangements/transactions	Not Applicable
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
e.	Date(s) of approval by the Board, if any	Not Applicable
f.	Amount paid as advances, if any	Not Applicable

Sd/-
(Naresh Kumar Bansal)
Chairman & Managing Director

Place: Delhi
Date: August 14, 2017

Annexure - III

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and ruleNo.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
RAMA STEEL TUBES LIMITED
NO. 7, 1ST FLOOR, SURYA NIKETAN,
VIKAS MARG, NEW DELHI-110092

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

Based on our verification of the RAMA STEEL TUBES LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by RAMA STEEL TUBES LIMITED for the financial year ended on 31st March, 2017 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) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

(vi) Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

a) Income Tax Act, 1961;
b) Central & State Excise Law/Service Tax.
c) Central & State Sales Tax Law/VAT.
d) Factories Act, 1948
e) The Environment (Protection) Act, 1986
f) The Hazardous Wastes (Management, Handling And Transboundary Movement) Rules, 2008
g) The Water (Prevention & Control of Pollution) Act, 1974
h) The Air (Prevention & Control of Pollution) Act, 1981 Read With The Air (Prevention & Control Of Pollution) Rules, 1982
i) Employees Provident Fund and (Misc. Provisions) Act, 1952
j) Payment of Wages Act, 1936
k) Payment of Gratuity Act, 1972
l) Payment of Bonus Act, 1965
m) Workmen Compensation Act, 1923

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, (erstwhile Listing Agreement) entered into by the Company with Bombay Stock Exchange Limited and & National Stock Exchange of India Limited.

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

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, if any, are captured and recorded as part of the minutes.
We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company obtained consent of shareholders by way of Special resolution in its Annual General meeting/Extra Ordinary General Meeting in respect of following matters:

i. Alteration of the Capital clause of the Memorandum of Association.
ii. Adoption of New Set of Articles of Association
iii. Issuance of 15,00,000 Fully Convertible Warrants on preferential basis to the persons belonging to promoter category.
iv. Issuance of 11,00,000 Equity Shares on preferential basis to the persons belonging to non-promoter category.
v. To increase in terms of remuneration of Mr. Naresh Kumar Bansal, Managing Director of the Company.
vi. To increase in terms of remuneration of Mr. Richi Bansal, Director of the Company.

For **ARUN KUMAR GUPTA & ASSOCIATES**
COMPANY SECRETARIES

Sd/-
(ARUN KUMAR GUPTA)
FCS: 5551
CP: 5086

Place: Delhi
Date: August 14, 2017

Annexure – A'

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made there under and the Memorandum and Articles of Association of the Company with regard to:-

1. Maintenance of various statutory registers and documents and making necessary entries therein;
2. Contracts, Common Seal, Registered Office and Publication of name of the Company;
3. Forms, Returns, Documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board and such other authorities;
4. Service of documents by the Company on its Members, Directors, Auditors and Registrar of Companies;
5. Constitution of the Board, Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee;
6. Appointment, Re-appointment, Retirement of Directors including Whole Time Directors and payment of remuneration.
7. Disclosure of Interest and Concerns in Contracts and Arrangements, Shareholdings and Directorships in other Companies and interest in other entities by Directors and Key Managerial Personnel;
8. Disclosures requirements in respect of their eligibility for appointment, declaration of their independence, compliance with the code of conduct for Directors of Rama Steel Tubes Limited;
9. Related party transactions which were in the ordinary course of business and at arm's length basis and were placed before the Audit Committee for their review/approval as and when required;
10. Formulation and adopting Nomination and Remuneration Policy;
11. Appointment and remuneration of Statutory Auditors;
12. Notice of the meetings of the Board and Committees thereof;
13. Minutes of the meeting of the Board and Committees thereof;
14. Notice convening Annual General Meeting held on September 30, 2016 and holding of the meeting on that date;
15. Minutes of General Meeting;
16. Approval of the Members, Board of Directors, Committees of Directors and Government Authorities wherever required;
17. Form of the Balance Sheet as at March 31, 2016 as prescribed under part I of schedule III of the Companies Act, 2013 and requirements as to Profit & Loss Account for the year ended on that date as per Part II of the said schedule;
18. Report of the Board of Directors for the financial year ended March 31, 2016;
19. Transfer of Equity and Preference Shares and issue and delivery of share certificates;
20. Borrowings and registration of charges;
21. Investment of Company's funds and inter-corporate loans and investments.

Annexure - IV

Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

S. No.	Employee Name	Designation	Education Qualification	Age	Experience (in years)	Date Joining	Remuneration (in Rs.)	Last Employment
1	Mr. Naresh Kumar Bansal	Chairman and Managing Director	Law Graduate	63	36	26-02-1974	2,539,600	--
2	Mr. Richi Bansal	Director	B.Sc(H) in Management from Bradford University, U.K.	37	10	01-05-2007	1,939,600	–
3	Mr. Ravinder Tiwari	Sr. Vice President- Marketing	Graduate	47	23	03-01-2016	1,536,514	APL APOLLO TUBES LIMITED
4	Mr. Om Pal Vig	GM Operations	M.Sc	56	31	15-10-2015	968,400	BHUSHAN STEEL LIMITED
5	Mr. Rajkumar Malik	Chief Financial Officer	B.com, FCA	51	27	11-02-2009	848,400	FIEM INDUSTRIES LIMITED
6	Mr. D. R. Kamra	President-Exports	Graduate	69	41	01-01-2000	786,000	AJANTA TUBES LIMITED
7	Mr. Nikhil Naresh Bansal	Admin. Manager	Graduate	32	10	01-08-2006	518,400	---
8	Mr. Rajesh Kumar	VP Commercial	Graduate	53	29	10-03-1992	4,28,400	PARAS ELECTRICALS PRIVATE LIMITED
9	Mr. Kapil Datta	Company Secretary	M.com, ACS	27	3	01-09-2014	418,400	--
10	Mr. C P Singh Yadav	Manager	Graduate	54	21	01-12-2006	366,000	SURYA ROSHINI LIMITED

MANAGEMENT DISCUSSION & ANALYSIS REPORT

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Forward looking statement -

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Accounting Standards notified under Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2006. The management of Rama Steel Tubes Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to “we”, “us”, “our”, “the Company”, “Rama Steel Tubes Limited” are to Rama Steel Tubes Limited and its subsidiaries and associates.

- **ECONOMIC OVERVIEW (Source:- OECD Economic Outlook)**

  The last financial year FY2016-17 witnessed deceleration in global economic growth at under 3.0%, mainly due to weakness in global trade low investment cycle and rebalancing of economic activity in China from manufacturing-led demand towards consumption and services-led growth. Political support for trade policies in advanced economies also weakened while the United States began tightening of its monetary policy leading to deceleration in economic activity globally.

  However, fiscal measures undertaken by advanced economies as well as China have led to rise in consumer and business confidence, cyclical uptick in global manufacturing and trade as well as better prospects for emerging markets. As such, most forecasts predict an improved outlook for global growth, seen at 3.3% in 2017 and 3.6% in 2018.

  The Indian economy continues to remain in a sweet spot, with the country's GDP growing at a robust 7% last year and expected to increase momentum to 7.3% in 2017-18 and 7.6% in 2018-19, remaining ahead of China.

  On the positive side, the economy was buoyed by government consumption, 7th pay commission salary payments and recovery in demand for exports to advances economies. In the last few years, India has taken a host of economic reforms, such as liberalization of the FDI regime, to improve business climate and promote growth and Goods and Services Tax (GST), which has expected to help Companies reduce logistics cost by 1.5% to 2.5% as they reconfigure their supply chains.

  In the last financial year, the government also demonetized large currency notes signaling a regime change, aimed at penalizing illicit wealth and so-called 'black money'. While the move is expected to create short-term pressures on cash flows for most businesses, especially small and medium-sized businesses, the long-term benefits are expected to accrue to India's economic growth as more income gets accounted within the formal economy.

  These reforms and measures continue to cement India's position as among the world's fastest growing major economies, underpinned by a stable macro-economy, lower-than-before inflation and interest rates and improving domestic consumption demand. Although growth is expected to strengthen, benefitting from recovery in commodity prices, protectionist policies by overnments are increasingly been risks to global growth. The Economic Survey has forecast India's GDP growth between 6.75% to 7.5% for FY17-18.

Steel Industry: - (Source: Reportlinker.com)

- Steel is dominant pipe material, used across oil and gas production applications, where its strength gives it an advantage over most other materials. However, in construction and manufacturing applications, steel faces strong competition from other materials (i.e. plastic), which have advantages including lower cost, lighter weight, flexibility, or corrosion resistance.

- World Steel Association upgraded world steel demand forecast by 80bps to 1.3% for 2017. China's demand is expected to be flat at 681 million metric tonnes (v/s. -2% estimated earlier), while the rest of the world demand is expected at 2.4% growth for 2017. Global demand would grow by 0.9% in 2018, but would decline by 2% to 667million metric tonnes in China.

- So far, ex-China steel availability has grown at 2.7% this year, implying a largely balanced demand-supply and at best a mild restocking. For regional prices, the key variable is China's net steel export which is still annualising at a benign 73 million metric tonnes run rate (vs 120 million metric tonnes in 2015). Driven by higher production in China, global utilisation levels are now near 2-year highs.

- Construction expenditures boost demand for steel pipes, especially the ones used in structural applications. Manufacturing output supports demand for structural, mechanical, and original equipment manufacturing steel pipes which saw strongest growth in last few years, while investment in manufacturing facilities drives demand for industrial steel pipes. It is expected to continue to see the most rapid growth of any market going forward, boosted by global manufacturing output, especially in developing markets.

- Construction market for steel pipes experienced slower growth in last few years. However, it is expected to see accelerated growth going forward as construction activity improves in developed regions such as Western Europe and continues to experience strong growth in many developing countries. Global demand for steel pipes is forecast to advance 3.5% per annum through 2019 to 79.7 million metric tonnes, according to Metal Bulletin Research

- Steel makes up the vast majority of pipes used in oil and gas transportation. Demand for oil and gas pipes saw healthy growth between 2009 and 2014, driven by growth in China and North America; however, advances are expected to increase at a slower pace due to slowing exploration and drilling activities. This slowdown is expected to be countered by increased construction spending and steel pipe used in equipment manufacturing, expected to see above-average growth through 2019. Construction of new manufacturing plants, particularly in developing regions, will be a major supporter of growth.

- According to ratings agency ICRA, the currency demonetization drive by the Union Government would have an impact on steel players in the near term, with a likely reduction in rural demand for roofing products as well as lower demand from auto- makers. However, the impact of slowdown would be limited, paving the way for increased share of organized players in the domestic market.

ABOUT RAMA STEEL TUBES LTD

The Company is a pioneer and amongst the leading manufacturers of Steel Pipes & Tubes and G.I. Pipes in India. Incorporated in 1974, the Company has today a well-established and strong brand with products catering to wide-ranging sectors of end-use, including applications in automobiles, infrastructure, real estate and furniture. The Company has three manufacturing facilities – two in Sahibabad, NCR region and one in Khopoli, Maharashtra with a total installed capacity of 132,000 metric tonnes. The Company is also looking at foraying into Southern part of India with a manufacturing facility at Lepakshi, Telangana with an initial capacity of 36,000MT.

The key products in the portfolio include Galvanized tubes, ERW Black Steel Pipes & Tubes, Scaffolding Pipes & Tubes, Structural Steel Products and Hollow Sections.

We have a strong dealer network in the western region, for supply of products from the Khopoli plant, with over 200 direct dealers. We also have a strong export presence over 16 countries.

CONSOLIDATED FINANCIAL OVERVIEW –

The consolidated performance of the Company for the financial year ended March 31, 2017, is as follows:

Total revenue stood at Rs. 260 crore for the year ended March 31, 2017, as against Rs. 242 crore for the corresponding previous period, an increase of 7%. This growth has been driven across all product segments. Our operating efficiencies combined with capacity expansion has benefited us a lot. Despite the challenging market conditions and impact of demonetization, the Company achieved its target for the full year.

The EBIDTA (earnings before interest, depreciation and tax) was Rs. 20 crore for the year ended March 31, 2017, as against Rs. 15 crore for the corresponding previous period, an increase of 36%

The EBIDTA Margin (earnings before interest, depreciation and tax margin) stood at 7.6% for the year ended March 31, 2017, as against 6.0% for the corresponding previous period, an increase of 160bps

The profit after tax for the financial year ended March 31, 2017 was Rs. 9 crore as against Rs. 6 crore for the corresponding previous period, an increase of 50%

The PAT Margin stood at 3.5% for the year ended March 31, 2017, as against 2.5% for the corresponding previous period, an increase of 100bps

EPS for the year ended March 31, 2017 was Rs. 6.07, as against Rs. 4.03 for the corresponding previous period, an increase of 51% for a face value of Rs. 5 per share

RISKS AND CONCERNS –

The Company faces the following Risks and Concerns:

Economic Risk

A part of business is substantially dependent on the prevailing global economic conditions, which may lead to stress in construction, real estate and infrastructure sectors. Further, slowdown in the rate of infrastructure development, inflation, changes in tax, trade, fiscal and monetary policies, scarcity of credit etc. impact our business However, given the planned infrastructure investments in FY 2013-2017 will rise to a cumulative US$ 1 Trillion compared to US $ 542 billion in FY 2007- 2012, and increase in construction activity across Asian and developed economies, we do not expect to be significantly affected by this risk.

Currency Volatility Risk

However, with strong demand for its finished products across the globe, the Company stands to gain with currency depreciation for its increasing exports. The forex risks are managed through prudent hedging policies.

Profitability and Margins Risk

Being dependent on prices of raw material – steel, the Company's business is subject to profitability and margins risk due to volatility in global and domestic raw material prices. The Company has invested recently in capacity expansion for manufacturing products across different locations and geographies to diversify this risk. Therefore, as the Company also diversifies into more value-added products, the Company expects to be able to reasonably counter any adverse impact of this risk.

Competition Risk

Growing competition from new players and unorganized players may dent the future prospects of the Company. The Company has one of the leading capacities for manufacturing steel pipes and tubes and other products. With investments to the tune of Rs.33.05 crore in last five years, its large capacities and infrastructural strength gives it competitive advantage for realising economies of scale. With its expanding pan-India base and proximity to industrial hubs, it has created a unique advantage for itself Therefore, the Company believes it has taken adequate steps to mitigate any adverse impact from this risk

Investment Risk

The Company continues to make investments through organic route, expanding capacities for relevant business segments. If investments are not properly considered, it could result in lower returns than anticipated. The Board reviews, monitors and analyses each of its prospective capital investments keeping in mind the contingencies. Thus, the Company has adequate checks and balances in order to manage this risk.

Regulatory Risk

The Company operates in an industry that is subject to intense regulatory scrutiny and policy changes. If we are unable to obtain required approvals and licenses in a timely manner or adapt quickly to changes in policies, our business and operations may be adversely affected. However, the Government has come up with number of initiatives to help the steel industry and has planned massive investments in the infrastructure and construction sectors. As most industry predictions suggest that domestic infrastructure and construction demand is expected to continue its recovery and growth trajectory, we do not expect this risk to affect us materially in the coming years.

OPPORTUNITIES

Growth in construction activity	• Rising government spending on infrastructure and improving construction activity – increased demand and per capita steel consumption
Market position	• Industry presence since four decades with dedicated and disciplined functioning • Ability to cater to both domestic and overseas clientele
Key government initiatives	• Make in India' and 'Smart cities' initiative – Will drive demand for core infrastructure elements and construction activity • Projects like 'Bharat Nirman', 'Pradhan Mantri Gram Sadak Yojana' to drive rural demand

Source: Analyst Reports

THREATS

- Changes in prices of raw material
- Competition from smaller, unorganized players
- Regulatory changes

INTERNAL CONTROL SYSTEMS AND ADEQUACY –

In view of the changes in the Companies Act, the Company has taken additional measures to strengthen its internal control systems. Additional measures in this regard are fraud risk assessment, mandatory leave for employees, strengthening background verification process of new joiners, whistle blower policy and strengthening the process of risk management. The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The organization is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and there is strict adherence to applicable laws and regulations.

The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported. The Company also has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis.

Recognizing the important role of internal scrutiny, the Company has an internal audit function which is empowered to examine the adequacy of, and compliance with, policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and governance process.

Periodical audit and verification of the systems enables the various business groups to plug any shortcomings in time. As stated earlier the Company has improved effectiveness of the risk management process wherein it evaluates the Company's risk management system and suggests improvement in strengthening risk mitigation measures for all key operations, controls and governance process. In addition, the top management and the Audit committee of the Board periodically review the findings and ensure corrective measures are taken.

HUMAN RESOURCES

The Company has Human Relations and Industrial Relations policies in force. These are reviewed and updated regularly in line with the Company's strategic plans. The Human Relations team continually conducts training programs for the development of employees.

The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's successful growth. The Company's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees.

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement. The Company focuses on providing individual development and growth in a work culture that enables cross- pollination of ideas, ensures high performance and remains empowering.
As of March 31, 2017 the Company had a workforce of 122 people on its rolls

OUTLOOK

The Indian pipe industry has been growing at a rapid pace post the advent of hollow sections. **As per the report of the Working Group on Steel for the 12th Five Year Plan, there exist many factors which carry the potential of raising the per capita steel consumption in the country. These include among others, an estimated infrastructure investment of nearly a trillion dollars, a projected growth of manufacturing from current 8% to 11-12%, increase in urban population to 600 million by 2030 from the current level of 400 million, emergence of the rural market for steel currently consuming around 11 kg per annum buoyed by projects like Bharat Nirman, Pradhan Mantri Gram Sadak Yojana, Rajiv Gandhi Awaas Yojana among others.**

The Company is one of the oldest players in the pipe industry and has an established brand presence across the geographies. With the expansion of capacities in Khopoli and entry in South India we plan to leverage this brand presence. Till date we have a 60,000 MTPA capacity in Sahibabad and 72,000 MTPA capacity in Khopoli.

We are expanding our capacities in West. At the same time, our new facility in South would be functional by the end of first quarter of financial year 2018.

Our intention is to take advantage of the demand-supply gap and be one of the leading player in the niche ERW pipe industry.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Rama Steel Tubes Limited ("RAMA"), Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. For us, corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our corporate governance framework is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity. This is vital to gain and retain the trust of our stakeholders.

Our corporate governance framework ensures effective engagement with our stakeholders and helps us evolve with changing times.

The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation (2) of the regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving.

Board Leadership

As on March 31, 2017, Rama's Board consists of 6 members, 3 out of which are Independent Directors (including one woman director). At RAMA, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Company has defined guidelines and an established framework for the meetings of the Board and Board Committees. These guidelines seek to systematise the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner.

The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews related party transactions, possible risks and risk mitigation measures, financial reports from the CFO and business reports from each of the sector heads. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

Role of Company Secretary in Overall Governance Process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

2. BOARD OF DIRECTORS

Board composition and category of Directors

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors are as follows:

Category	Name of Directors
Executive Directors	Mr. Naresh Kumar Bansal -Chairman and Managing Director
	Mr. Richi Bansal
	Mr. Surender Kumar Sharma
Independent Directors	Mr. Bharat Bhushan Sahny
	Mr. Rajendra Prasad Khanna
	Mrs. Anju Gupta

Mr. Richi Bansal is the son of Mr. Naresh Kumar Bansal. None of the other directors are related to any other director on the Board.

MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES OF BOARD

Number of Board meetings held with dates

Twelve Board meetings were held during the year, as against the minimum requirement of four meetings.

The details of Board meetings are given below:

Date	Board Strength	No. of Directors Present
29-Apr-16	5	5
04-May-16	5	4
26-May-16	6	6
13-Jun-16	6	4
19-Jul-16	6	6
10-Aug-16	6	6
21-Sept-16	6	6
08-Nov-16	6	6
25-Jan-17	6	6
10-Feb-17	6	6
15-Mar-17	6	4
29-Mar-17	6	5

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS, LAST ANNUAL GENERAL MEETING (AGM) AND NUMBER OF OTHER DIRECTORSHIPS AND CHAIRMANSHIPS / MEMBERSHIPS OF COMMITTEES OF EACH DIRECTOR IN VARIOUS COMPANIES:

Name of the Director	Attendance at the Board meetings during 2016-17	Attendance at the AGM during 2016-17	No. of Other Directorship(s) on 31-03-2017	No. of Membership(s) / Chairmanship in other Companies as on 31-03-2017
Naresh Kumar Bansal	12	YES	3	0
Richi Bansal	12	YES	2	0
Bharat Bhushan Sahny	8	YES	2	1
Rajendra Prasad Khanna	11	YES	0	0
Surender Kumar Sharma#	10	YES	0	0
Hannya Dhir ^	8	YES	4	0
Anju Gupta*	3	N.A.	0	0

Appointed on the Board of Directors of Company w.e.f. May 4, 2016
^ Resigned from the Board of Directors of Company w.e.f. January 25, 2017
*Appointed on the Board of Directors of Company w.e.f. January 25, 2017

3. Audit Committee

Our audit committee ('the committee') comprised four Directors as on March 31, 2017 :

Bharat Bhushan Sahny (Chairman of the Committee)	Independent Director
Rajendra Prasad Khanna	Independent Director
Anju Gupta	Independent Director
Naresh Kumar Bansal	Executive Director

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015. Members of the Audit Committee possess financial / accounting expertise / exposure.

Role of the Audit Committee:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
- Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.

Powers of the Audit Committee:

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

4. Nomination and Remuneration Committee

Our Nomination and Remuneration Committee ('the committee') comprised three directors as on March 31, 2017:

Rajendra Prasad Khanna (Chairman of the Committee)	Independent Director
Bharat Bhushan Sahny	Independent Director
Anju Gupta	Independent Director

The Committee's composition meets with requirements of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The terms of reference of the Nomination and Remuneration Committee include the following:

- To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/ Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);

To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole time/ Executive Directors, including pension rights and any compensation payment;

5. Corporate Social Responsibility Committee

Our Corporate Social Responsibility Committee ('the committee') comprised three directors as on March 31, 2017:

Anju Gupta (Chairman of the Committee)	Independent Director
Bharat Bhushan Sahny	Independent Director
Naresh Kumar Bansal	Executive Director
Richi Bansal	Executive Director

The Role of CSR Committee is as under:

(a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company inc ompliance with the Companies Act, 2013 and rules thereunder.
(b) Recommend the amount of expenditure to be incurred on the activities as above, and
(c) Monitor the CSR Policy of the Company from time to time.

The Company has formulated a CSR Policy in line with Schedule VII of the Companies Act, 2013.

6. Stakeholders' Relationship Committee

The committee has the mandate to review and redress shareholder grievances. Our stakeholders' relationship committee ('the committee') comprised Four Directors as on March 31, 2017:

Rajendra Prasad Khanna (Chairman of the Committee)	Independent Director
Bharat Bhushan Sahny	Independent Director
Anju Gupta	Independent Director
Richi Bansal	Executive Director

The Stakeholder Relationships Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholder Relationships Committee include the following:

- Redressal of shareholders'/investors' complaints;
- Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made b y \ the Registrar and Share Transfer Agent;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Committee has periodic interaction with the representatives of the Registrar and Transfer Agent of the Company.

Details of Shareholders'/ Investors' Complaints

Mr. Kapil Datta, Company Secretary, is the Compliance Officer for resolution of Shareholders'/Investors' complaints. During the financial year ended 31st March 2017, One complaint was received from the shareholder during the year 2016-17 and as on 31st March 2017, no shareholder complaint is pending.

Meetings of Board Committees held during the year and Directors' attendance:

Board Committees	Audit Committee	Stakeholders' Relationship Committee	Nomination and Remuneration Committee	Corporate Social Responsibilty Committee
Meeting Held	**5**	**1**	**1**	**1**
Directors' Attendance				
Naresh Kumar Bansal	5	N.A.	N.A.	1
Richi Bansal	N.A.	1	N.A.	1
Bharat Bhushan Sahny	5	1	1	1
Rajendra Prasad Khanna	5	1	1	N.A.
Hannya Dhir ^	4	1	1	N.A.
Anju Gupta*	1	0	0	1

^ Resigned from Committee(s) of Company w.e.f. January 25, 2017
*Appointed in the Committee(s) of the Board w.e.f. January 25, 2017

7. Details of Remuneration of Executive Directors for the financial year ended 31st March 2017 (₹ in Lacs)

Name of the Director	Salary	Bonus	Perquisites	Contribution to PF	Pension	Total
Naresh Kumar Bansal	**25.00**	**-**	**0.40**	**0.22**	**-**	**25.62**
Richi Bansal	**19.00**	**-**	**0.40**	**-**	**-**	**19.40**
Surender Kumar Sharma	**2.59**	**-**	**-**	**-**	**-**	**2.59**

Details of Remuneration of Non-Executive Directors for the financial year ended 31st March 2017 (₹ in Lacs)

Name of the Director	Sitting Fees	Total
Bharat Bhushan Sahny	**0.50**	**0.50**
Rajendra Prasad Khanna	**0.50**	**0.50**
Hannya Dhir ^	**0.35**	**0.35**
Anju Gupta*	**0.10**	**0.10**

^ Resigned from the Board of Directors of Company w.e.f. January 25, 2017
*Appointed on the Board of Directors of Company w.e.f. January 25, 2017

8. GENERAL BODY MEETINGS

Annual General Meeting

Details of last three Annual General Meetings and summary of Special Resolutions passed therein as under:

Financial year ended	Date and Time	Venue	Special Resolution Passed
March 31, 2014	September 27, 2014 11.30 a.m.	15/1, 2nd Floor, Asaf Ali Road, New Delhi – 110002	None
March 31, 2015	September 29, 2015 11.30 a.m.	No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi-110092	• Re-appointment of Mr. Naresh Kumar Bansal as Managing Director. • To Borrow money in excess of the aggregate of the paid up share capital and free reserve of the Company • To increase in terms of remuneration of Mr. Richi Bansal, Executive Director of the Company
March 31, 2016	September 30, 2016	Aura Grand Residency 439, Jagriti Enclave, Near Karkardooma	None

Extra-ordinary General Meeting

Extra-ordinary General Meeting of the members of the RAMA was held on Friday, March 3, 2017 at 11:00 a.m. at Aura Grand Residency, 439, Jagriti Enclave, Near Karkardooma Metro Station, Delhi-110092 and Special resolution(s) passed for :

- Alteration in Capital Clause of Memorandum of Association
- Adoption of new set of Articles of Association
- Issuance of 15,00,000 Fully Convertible Warrants on Preferential basis to the persons belonging to promoter category
- Issuance of 11,00,000 Equity Shares on Preferential basis to the persons belonging to non-promoter category
- To Increase in terms of remuneration of Mr. Naresh Kumar Bansal, Managing Director of the Company
- To Increase in terms of remuneration of Mr. Richi Bansal, Director of the Company

POSTAL BALLOT

No resolution was passed through postal ballot during last 3 financial years ended on March 31, 2015, March 31, 2016 and March 31, 2017.

9. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results of the Company are published in "Business Standard". The results are displayed on the Company's website "www.ramasteel.com". The Company's website **(www.ramasteel.com)** contains a separate dedicated section "Investor Relations". Official news releases and presentations made to the Institutional Investors, are also posted on the Company's Website.

10. GENERAL SHAREHOLDER INFORMATION

I.	Annual General Meeting		
	Date	:	September 29 , 2017
	Time	:	4:00 p.m.
	Venue	:	Aura Grand Residency, 439, Jagriti Enclave, Near Karkardooma Metro Station, Delhi – 110092
ii.	Financial Calenda	:	1st April to 31st March every year
iii.	Date of book closure / record date	:	As mentioned in the Notice of the AGM to be held on Sep. 29, 2017
iv.	Dividend Payment Date	:	During the year 2016-17, dividend was not declared.
v.	Listing on stock exchanges	:	**National Stock Exchange of India Limited (NSE)** – Exchange Plaza, Bandra – Kurla Complex, Bandra(E), Mumbai – 400 051 **BSE Limited** – Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
	Listing fees as applicable have been paid.	:	Annual Listing fees for the financial year 2017-2018 have been duly paid to all the above Stock Exchange
vi.	Stock Code (EQUITY SHARES) ISIN	:	NSE Limited – RAMASTEELS BSE Limited – 539309 INE230R01027
vii.	Market Price Data	:	Refer Table – I
viii.	Registered office	:	No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi – 110092
ix.	Registrar & transfer agent: Name & address		Bigshare Services Private Limited 4E/8, First Floor, Jhandewalan Extension, New Delhi-110055
	Telephone	:	011-23522373
	Fax	:	011-23522373
	Email	:	bssdelhi@bigshareonline.com
x.	Share transfer system	:	98.62% of the equity shares of the Company are in electronic form. Transfers of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Bigshare Services Private Limited at any of the above mentioned addresses.
xi.	Distribution of Shareholding	:	Refer Table – II & Table – III
xii.	Dematerialization of shares and liquidity	:	Refer Table – IV
xiii.	Outstanding GDRs/ADRs/Warrants or any other convertible instrument, conversion date and likely impact on equity	:	The Company has issued 15,00,000 Fully Convertible Warrants during the year 2016-17. Post the closure of financial year 2016-17, the Board of Directors in its meeting held on May 12, 2017 and May 29, 2017 has converted 6,00,000 Warrants and 1,60,000 Warrants respectively into Equivalent number of Equity Shares of Rs.5/- each.
xiv.	Commodity price risk or foreign exchange risk and hedging activities	:	Please refer to Management Discussion and Analysis Report for the same.
xv.	Plant Locations	:	• B-21, Site No. 4, Industrial Estate, Sahibabad, Uttar Pradesh. • B-5, Site No. 4, Industrial Estate, Sahibabad, Uttar Pradesh. • 151, Village Umbare, Taluka Khalapur, Khopoli, Pali Road, Dist. Raigad, Maharashtra.

TABLE – I

Market Price Data: The shares of the Company are listed at BSE and NSE. Monthly High and Low at both the Stock Exchanges for the year 2016-17 is given:

(Amount in ₹)

Month	NSE			BSE		
	High	Low	Volume (No. of Shares)	High	Low	Volume (No. of Shares)
Apr-16	97.00	84.00	23,63,216	96.00	83.95	12,37,687
May-16	95.00	89.50	29,79,692	97.00	89.55	13,66,626
Jun-16	105.00	89.00	24,70,820	100.00	88.10	10,55,707
Jul-16	120.00	90.70	42,95,628	120.00	90.70	30,04,348
Aug – 16	121.00	105.55	15,38,547	121.00	105.10	6,31,842
Sep – 16	141.00	111.00	22,96,966	141.00	112.00	9,99,884
Oct – 16	148.80	125.05	8,10,255	148.00	125.60	3,21,624
Nov – 16	146.50	95.65	9,68,796	145.85	97.50	2,94,651
Dec – 16	119.00	101.15	6,50,983	119.00	101.90	1,64,778
Jan – 17	118.30	109.95	4,91,540	118.70	110.00	1,61,575
Feb – 17	135.30	111.00	19,25,676	135.45	110.00	8,64,590
Mar – 17	134.40	116.25	16,78,242	136.00	117.00	6,04,746

Chart A: Rama's Share Performance versus Nifty

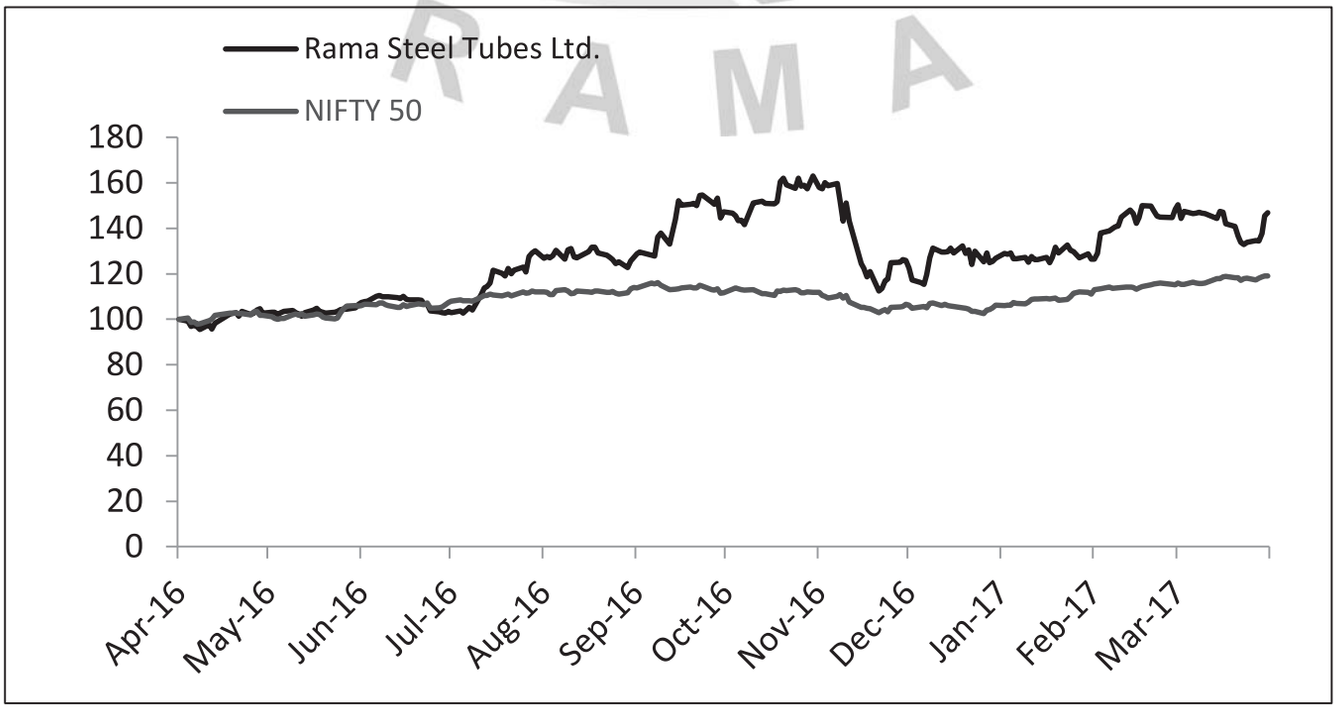


Chart B: Rama's Share Performance versus BSE Sensex

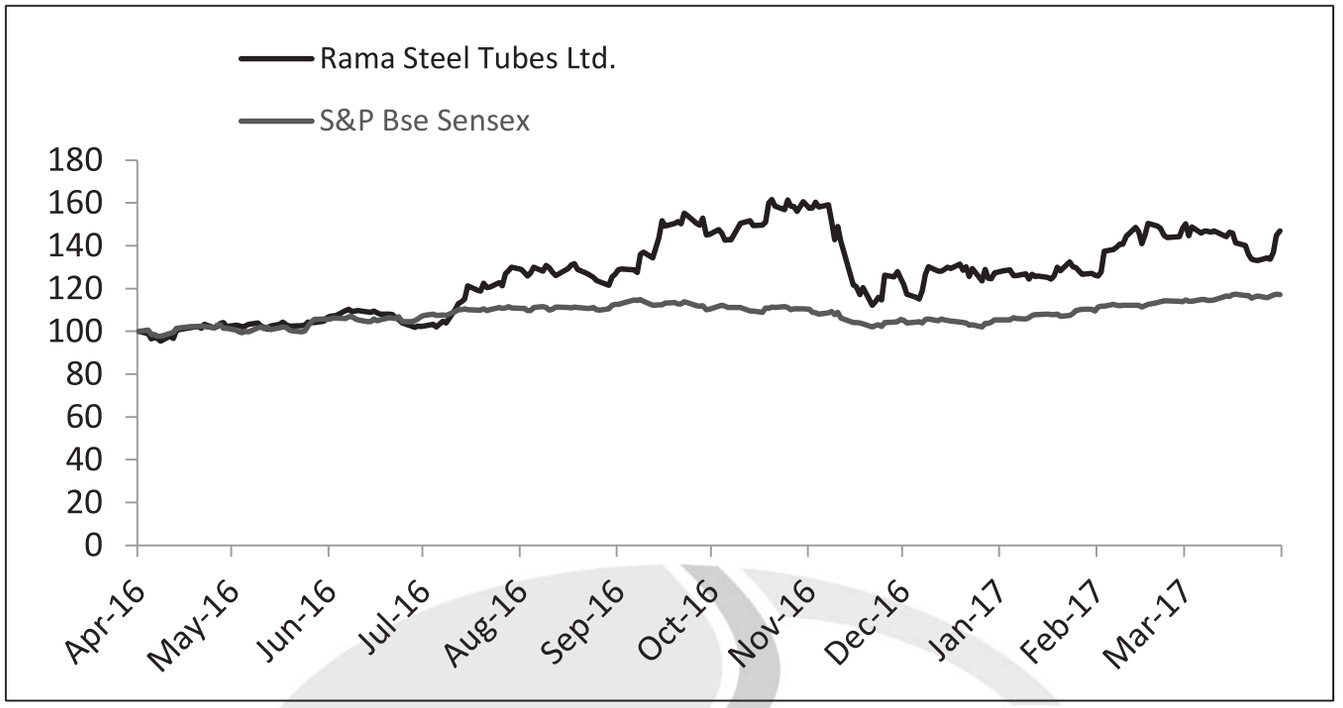


TABLE – II

Distribution of Equity Shareholding as on March 31, 2017

Category (Shares)	Number of Shareholders	% to Total Shareholders	No. of Shares	% of Total Shares
1-500	2131	72.31	286865	1.79
501-1000	267	9.06	226814	1.41
1001-2000	163	5.53	250593	1.56
2001-3000	127	4.31	361477	2.25
3001-4000	36	1.22	130825	0.82
4001-5000	44	1.49	207867	1.30
5001-10000	91	3.09	703547	4.39
10001 and above	88	2.99	13866012	86.48
G. TOTAL	**2947**	**100.00**	**16034000**	**100.00**

TABLE – III

Category of Shareholders as on 31st March 2017

Category of Shareholder	Number of Shareholders	Total Number of Shares	As a percentage of (A+B)
Promoter and Promoter Group	7	9543000	59.52
Financial Institutions/Banks	2	112862	0.70
Corporate Bodies	104	1009935	6.30
Corporate Bodies NBFC	1	675	0.00
Clearing Members	94	666138	4.15
Public	2702	4681270	29.20
Non Resident Indians	37	20120	0.13
TOTAL	**2947**	**16034000**	**100.00**

TABLE – IV

Dematerialisation Of Equity Shares As On 31st March 2017

Mode of Holding	No. of Shares	Percentage (%)
NSDL	50,48,421	31.49
CDSL	107,63,579	67.13
Physical	2,22,000	1.38
TOTAL	**1,60,34,000**	**100.00**

***11,00,000 Equity shares of Rs.5/- each have been allotted on preferential basis on March 29, 2017.**

11. OTHER DISCLOSURES

a) Related Party transactions

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and Listing Regulations.

The Policy is available on the website of the Company at **http://ramasteel.com/cms/policy-and-code-of-conduct**

b) Disclosure of Non-Compliance: There has been no instance of non-compliance by the Company on any matter related to Capital Markets since the inception of the Company and hence no penalties have been imposed.

c) Vigil Mechanism/Whistle Blower Policy: The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at **http://ramasteel.com/cms/policy-and-code-of-conduct**

d) The Company has complied with all the mandatory requirements of SEBI (Listing Obligation and Disclosure Regulations). **Regarding compliance with non-mandatory requirements, the following is the status:**

I. Shareholders' Rights - Half-yearly declaration of financial performance of the Company are not currently sent to each of the household of shareholders but are published in terms of Regulation 47(3) of Listing regulations in newspapers and also sent to the Stock Exchange. Besides, all Quarterly/Half-yearly/Annual financial results are published on the Company's Website.

ii. Audit Qualification - The financial statements of the Company are unqualified.

iii. Separate post of Chairperson and Managing Director/Chief Executive Officer – Currently the post of Chairperson and Managing Director is held by Sh. Naresh Kumar Bansal.

iv. Reporting of Internal Auditor: The internal auditor of the Company, directly reports to the audit committee on functional matters.

e) Web link for policy for determining 'material' subsidiaries: http://ramasteel.com/cms/policy-and-code-of-conduct

f) Web link for policy on dealing with related party transactions: http://ramasteel.com/cms/policy-and-code-of-conduct

g) Disclosure of commodity price risks and commodity hedging activities: The Company has not entered into any commodity hedging activities.

12. The Company complied with all the requirement of corporate governance report said out in the schedule V of SEBI (LODR) Regulations, 2015.

13. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted: Disclosed in 11(d) of this report.

14. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (I) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report. – All requirements mentioned are complied.

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2016-17.

Sd/-
(Naresh Kumar Bansal)
Chairman & Managing Director

Place: Delhi
Date: August 14, 2017

CEO / CFO CERTIFICATION

To,
The Board of Directors
Rama Steel Tubes Limited

We have reviewed financial statements and the cash flow statements of Rama Steel Tubes Limited for the year ended 31st March, 2017 and to the best of our knowledge and belief:

a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

We have indicated to the Auditors and the Audit Committee:

a) that there are no significant changes in internal control over financial reporting during the year;
b) that there are no significant changes in accounting policies during the year; and
c) that there are no instances of significant fraud of which we have become aware.

Sd/-
Rajkumar Malik
Chief Financial Officer

Sd/-
Naresh Kumar Bansal
Chairman & Managing Director

Place: Delhi
Date: August 14, 2017

CERTIFICATE ON CORPORATE GOVERNANCE

To the Members
Rama Steel Tubes Limited

We have examined the compliance of conditions of corporate governance by Rama Steel Tubes Limited ('the Company') for the year ended March 31, 2017 as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s VAPS & Company
Chartered Accountants
Firm Registration No.: 003612N

Sd/-
(Vipin Aggarwal)
Partner
Membership No. – 082498

Place: Delhi
Date: August 14, 2017

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To

The Members,

Rama Steel Tubes Limited

New Delhi

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of Rama Steel Tubes Limited which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act'2013 ("the act") with respect to preparation of these standalone financial statements that give a true and fair view of the financial position and 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) Rule, 2014. This responsibility also includes the 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 the 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 internal financial control that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and fair 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 standalone financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing 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 standalone financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 31st 2017, and its profit and its cash flows for the year then ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order'2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the order.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone 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 written representations received from the directors as on 31st March 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to our best of our information and according to the explanations given to us:

   I. The Company does not have any pending litigations which could impact its financial position in the financial statements.

   ii. The Company has made provision as at 31stMarch 2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended 31st March 2017.

   iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the Company.

For VAPS & Company
Chartered Accountants,
ICAI Firm Registration No. 003612 N

Sd/-
Praveen Kumar Jain
Partner
Membership No.:082515

Place: New Delhi
Date: 27th May 2017

Annexure (A) to the Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditor's Report of even date to the members of Rama Steel Tubes Limited on the Standalone financial statements for the year ended 31st March 2017:

Report on the Internal Financial Controls under clause (i) of the sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Rama Steel Tubes Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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(ICAI). These responsibilities include of 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 its 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.

Auditor's Responsibility

3. 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 deemed to be prescribed under Sec 143 (10) of the Act 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 ICAI. 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.

4. 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.

5. 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

6. 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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

8. 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 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VAPS & Company
Chartered Accountants,
ICAI Firm Registration Number: 003612N

Sd/-
Praveen Kumar Jain
Partner
Membership No. 082515

Place: New Delhi
Date: 27th May 2017

Annexure (B) to the Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Rama Steel Tubes Limited on the financial statements for the year ended 31st March 2017.

1. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

   b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which in our opinion is having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such physical verification.

   c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the Company.

2. As explained to us, the inventories (other than stock lying with third parties and goods in transit) were physically verified during the year by the Management at the year end. Discrepancies noted on physical verification were not material and have been properly dealt with in the books of accounts.

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. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

4. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act'2013 in respect of grant of loans, making investments, and providing guarantees and securities, as applicable.

5. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

6. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of the Companies Act,2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7. (a) According to the information and explanations given to us and the records of the company, the company is regular, by and large in depositing with appropriate authorities undisputed statutory dues including Investor Education Protection Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and other material statutory dues applicable to it but **few delays were observed in the deposit of Provident Fund and Employees State Insurance during the Year under review**

   (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty, Service Tax, Value Added Tax, Cess etc. were outstanding as at 31st March 2017 for a period of more than six months from the date they became payable.

   (c) According to the Information and explanations given to us and records of the company examined by us, the particulars of the Dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Custom Duty, Wealth Tax, Excise Duty, Service Tax, Value Added Tax, Cess which have not been deposited on account of any dispute, are as per Annexure below :

Sl. No.	Name of the Statute	Nature of Dues	Amount in Rs.	Period to which Dues Related	Authority where the dispute is pending for Decision
1	U.P Tax on Entry of Goods into Local Areas Ordinance, 2007	The Constitutional Validity of U.P Entry of Goods in Local Areas ordinance, 2007 had been challenged	69,89,956/-	Nov-2008 to March-2011	Before the Hon'ble Supreme Court of India

8. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

9. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management. The company has not given any guarantee for loans taken by others from bank or financial institutions.

11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it the provisions of Clause 3(xii) of the Order are not applicable to the Company.

13. In our opinion, the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. The Company has made the preferential allotment or private placement of shares during the year under review. In our opinion, and according to the information and explanations given to us, the provisions of the section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. Further the company did not make any allotment of fully or partly paid up Debentures during the Year under review

15. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Cl ause 3(xv) of the Order are not applicable to the Company.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For VAPS & Company
Chartered Accountants,
ICAI Firm Registration. Number: 003612N

Sd/-
Praveen Kumar Jain
Partner
Membership No.:082515

Place: New Delhi
Date: 27th May 2017

Standalone Balance Sheet as at March 31, 2017

(Amount in ₹)

Particulars	Note No.	As at 31-03-2017	As at 31-03-2016
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	8,01,70,000	8,46,70,000
Reserves and Surplus	4	37,87,58,269	17,32,54,049
Money received against share warrants		4,57,50,000	-
Non-Current Liabilities			
Long-Term Borrowings	5	11,44,73,407	16,82,42,240
Deferred Tax Liabilities (Net)	6	62,29,313	32,10,113
Other Long Term Liabilities	-	-	-
Long Term Provisions	7	33,89,049	-
Current Liabilities			
Short-Term Borrowings	8	40,24,67,919	37,52,76,252
Trade Payables	9	14,72,29,571	13,09,56,770
Other Current Liabilities	10	7,91,85,300	7,79,21,724
Short-Term Provisions	11	2,52,22,377	2,38,47,934
Total		**1,28,28,75,206**	**1,03,73,79,083**
ASSETS			
Non-Current Assets			
Fixed Assets	12		
(a) Tangible Assets		23,46,15,000	16,47,01,473
(b) Intangible Assets		9,74,240	3,15,984
(c) Capital Work-In-Progress		-	1,16,74,382
Non-current investments	13	3,24,75,906	13,06,27,795
Long term loans and advances	14	2,35,48,619	2,07,30,713
Other non-current assets	15	1,27,83,737	-
Current Assets			
Current investments		-	-
Inventories	16	51,44,13,265	31,67,44,848
Trade receivables	17	30,15,25,044	19,74,33,670
Cash and cash equivalents	18	6,36,15,015	5,45,60,632
Short-term loans and advances	19	7,66,98,077	12,65,29,975
Other current assets	20	2,22,26,303	1,40,59,611
Total		**1,28,28,75,206**	**1,03,73,79,083**

Notes referred to above and notes attached thereto form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

For and On Behalf of the Board

Sd/-
Praveen Kumar Jain
Partner
Membership No. : 082515

Place : New Delhi
Date : 27-05-2017

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

Statement of Standalone Profit & Loss For The Year Ended on March 31, 2017

(Amount in ₹)

Particulars	Note	Year ended 31-March-2017	Year ended 31-March-2016
REVENUES			
Revenue from Operations (Gross)	21	2,59,57,36,045	2,37,50,89,807
Less: Excise Duty		24,69,75,980	22,05,31,746
Revenue fom Operations (Net)		2,34,87,60,065	2,15,45,58,061
Other Income	22	3,48,83,326	3,07,80,466
Total Revenue		**2,38,36,43,391**	**2,18,53,38,528**
EXPENSES:			
Cost of Materials consumed	23	1,96,17,95,512	1,82,41,77,410
Purchase of Stock-in-Trade		5,30,10,891	4,51,208
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	76,02,118	4,96,96,690
Employee Benefit Expense	25	3,23,44,410	2,93,37,607
Financial Costs	26	7,60,65,800	6,16,32,810
Depreciation and Amortization Expense	27	2,90,82,586	2,84,77,036
Other Expenses	28	10,64,62,504	11,45,89,413
Total Expenses		**2,26,63,63,820**	**2,10,83,62,174**
Profit before Exceptional & Prior Period Items		11,72,79,570	7,69,76,354
Less : Exceptional & Prior Period Items	29	39,90,341	-
Profit before Tax		**11,32,89,229**	**7,69,76,354**
Tax Expenses:			
(a) Current tax		3,22,90,000	2,55,30,300
(b) Deferred tax		30,19,200	4,68,370
(c) Earlier Year Income Tax Adjustment		11,75,809	31,609
(d) MAT Credit Entitlement		-	-
Profit/(Loss) for the year		**7,68,04,220**	**5,09,46,075**
Earning per equity share of Rs.5/- each:			
(1) Basic		5.14	3.41
(2) Diluted		5.14	3.41

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement. This is the Profit & Loss Statement referred to in our Report of even date.

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

For and On Behalf of the Board

Sd/-
Praveen Kumar Jain
Partner
Membership No. : 082515

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Place : New Delhi
Date : 27-05-2017

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

Standalone Cash Flow Statement for the Year Ended On March 31, 2017

(Amount in ₹)

Particulars	Year ended 31-March-2017	Year ended 31-March-2016
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax	11,32,89,229	7,69,76,354
Adjustments for :		
Depreciation and Amortization Expense	2,90,82,586	2,84,77,036
Interest & Finance Charges	7,60,65,800	6,16,32,810
Gain / Loss on Sale of Fixed assets	(2,77,572)	(4,02,972)
Operating profit before working capital changes	**21,81,60,043**	**16,66,83,228**
Adjustments for :		
Increase/Decrease in Trade Receivables	(10,40,91,374)	(8,60,99,930)
Increase/Decrease in Other Receivables	4,17,52,380	4,70,37,344
Increase/Decrease in Inventories	(19,76,68,417)	(6,05,71,714)
Increase/Decrease in Trade & Other payable	1,80,67,345	(60,54,773)
Cash generated from operations	(2,37,80,024)	6,09,94,155
Income Tax Paid	(3,26,22,334)	(95,24,808)
Net cash from operating activities	**(5,64,02,358)**	**5,14,69,347**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(8,82,02,416)	(2,55,27,238)
Sale of Fixed Assets	5,00,000	26,37,500
Additions to Investments	9,81,51,889	(32,68,207)
Additions to Non-current Assets	(1,27,83,737)	-
Advance for Fixed Assets	(29,05,079)	22,30,051
Net Cash used in investing activities	**(52,39,342)**	**(2,39,27,894)**
CASH FLOW FROM FINANCE ACTIVITIES		
Issue of Equity Shares including Share Premium	13,42,00,000	5,97,36,000
Redemption of Preference Shares	(1,00,00,000)	-
Issue of Share Warrants	4,57,50,000	-
General Reserve utilized for Issue of Bonus Shares	-	(5,97,36,000)
Receipt/Repayment of Secured loans	(2,77,61,984)	(1,06,07,655)
Receipt/Repayment of unsecured loans	11,84,818	2,47,11,197
Increase in Long-Term Provisions	33,89,049	-
Interest & Finance Charges	(7,60,65,800)	(6,16,32,811)
Net cash generated from Financing activities	**7,06,96,083**	**(4,75,29,269)**
Net Change in Cash and Cash Equivalents (A+B+C)	90,54,383	(1,99,87,816)
CASH & CASH EQUIVALENT		
Opening Balance	5,45,60,632	7,45,48,448
Net Change in Cash & Cash Equivalents	90,54,383	(1,99,87,816)
Closing Balance	**6,36,15,015**	**5,45,60,632**

Notes :

1. Cash & Cash Equivalents represents Cash & Bank Balances and deposit with Banks as per Note No. 17
2. The Cash Flow Statement has been prepared under the "Indirect method " as set out in the Accounting Standard (AS -3) "Cash Flow Statement".
3. Figures in Brackets indicate cash outflow.

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

For and On Behalf of the Board

Sd/-
Praveen Kumar Jain
Partner
Membership No. : 082515

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Place : New Delhi
Date : 27-05-2017

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

Notes Forming Integral Part of the Standalone Financial Statement as at March 31, 2017

1.General Information

Rama Steel Tubes Limited incorporated on 26-02-1974 is engaged in the business of manufacturing of Steel Pipes and Related products. The company is a public company listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)

2. Summary of significant accounting policies

2.1 Basis of Accounting

These financial statements have been prepared as per the Going Concern assumption in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules,2014 till the standard of accounting or any addendum are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing accounting standards notified under Companies Act, 1956 shall continue to apply.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.2 Revenue Recognition

Sales are recognized on transfer of significant risks and rewards to the customer which takes place on dispatch of goods.

2.3 Fixed Assets

Tangible Assets

Fixed Assets (except Freehold Land, which is carried at cost) are carried at cost of acquisition or construction or at manufacturing cost (in case of own manufactured costs) in the year of capitalisation, less accumulated depreciation.

2.3 Depreciation

Tangible Assets

I) Tangible Assets are stated at acquisition cost, net of accumulated depreciation.

Items of Fixed Assets that have been retired from active use and are held for disposal are stated at the lower of their Net Book Value and Net Realisable Value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are arrived at cost are recognised in the Statement of Profit and Loss.

ii) Depreciation has been provided in accordance with useful lives prescribed in the Companies Act, 2013 on Written Down Value method

2.4 Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

2.5 Employee Benefits

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of the year. Gains and losses arising out of actuarial valuations are recognised immediately in the Statement of Profit and Loss as income or expense.

Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

2.6 Interest Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.7 Leases

Lease of assets under which, all the risks and benefits of ownership are effectively retained by the lessor are classified as Operating Lease. Lease rental in respect of assets taken on operating leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term.

2.8 Provisions and Contingencies

Provisions : Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liability : A disclosure of contingent liability is made when there is a present obligation that may require an outflow of resources or where a reliable estimate of such obligation cannot be made.

2.9 Cash and Cash Equivalents

In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with bank,other short term highly liquid investments with original maturities of three months or less.

2.10 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date,on which such investments are made, are classified as Current Investments.All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case neccessary provision is made.

2.11 Impairment Assets

At each Balance Sheet Date,the company assesses whether there is any indication that an asset may be impaired. If any such indications exists, the Company estimates the recoverable amount and if the carrying amount exceeds its recoverable amount,an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceds the recoverable amount.

2.12 Taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. 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. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.13 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.Earnings considered in ascertaining the Company's earning per share consist of the net profit for the period and any attributable tax thereon.The weighted average number of shares outstanding during the period and for all periods presented is adjusted for events other than the conversion of potential equity shares outstanding, without a corresponding change in resources. For the purposes of calculating diluted earnings per share,the net profit or loss for the period attriubtable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes Forming Integral Part of the Standalone Balance Sheet as at March 31, 2017

Note 3 : Share Capital

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
AUTHORIZED CAPITAL		
1,80,00,000 Equity Shares of Rs.5/- each (Previous Year 1,50,00,000 Equity Shares of Rs.5/- each)	9,00,00,000	7,50,00,000
25,00,000, 5% Non Cumulative Redeemable Preference Shares of Rs.10/- each (Previous Year 25,00,000, 5% Non Cumulative Redeemable Preference Shares of Rs.10/- each)	2,50,00,000	2,50,00,000
	11,50,00,000	**10,00,00,000**
ISSUED , SUBSCRIBED & PAID UP CAPITAL		
1,60,34,000 Equity Shares of Rs.5/- each fully paid up (Previous Year 1,49,34,000 Equity Shares of Rs.5/- each fully paid up)	8,01,70,000	7,46,70,000
Preference Shares (Previous Year 10,00,000 5% Non-Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up)	-	1,00,00,000
Total	**8,01,70,000**	**8,46,70,000**

A. Reconciliation of the number of issued, subscribed and paid-up shares :

Equity Shares of Rs.5/- Each fully paid up	As at 31-March-2017		As at 31-March-2016	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Balance as at the beginning of the year	**1,49,34,000**	**7,46,70,000**	**14,93,400**	**1,49,34,000**
Additions during the year:	11,00,000	55,00,000	1,49,34,000	7,46,70,000
Deletion during the year :	-	-	14,93,400	1,49,34,000
Balance as at the end of the year	**1,60,34,000**	**8,01,70,000**	**1,49,34,000**	**7,46,70,000**

5% Non-Cumulative Redeemable Preference Shares of Rs.10/- each Fully paid	As at 31-March-2017		As at 31-March-2016	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Balance as at the beginning of the year	**10,00,000**	**1,00,00,000**	**10,00,000**	**1,00,00,000**
Additions during the year	-	-	-	-
Deletion during the year	10,00,000	1,00,00,000	-	-
Balance as at the end of the year	**-**	**-**	**10,00,000**	**1,00,00,000**

B. Rights, Preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shates having a par value of Rs. 5 per share. Each shareholder is elgible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

C. Details of Shares held by shareholders holding more than 5% of the aggregate shares of the company :

Name of the Shareholder	Current Year		Previous Year	
	No. of shares Held	% of Holding	No of shares Held	% of Holding
Naresh Kumar Bansal	59,28,000	36.97	74,28,000	49.74
Richi Bansal	12,93,000	8.06	12,93,000	8.66
Nikhil Naresh Bansal	12,66,000	7.90	12,66,000	8.48
Arun Enterprises (a Partnership Firm)	9,54,821	5.95	–	–

a.) 11,00,000 Equity Shares of Rs.5/- each were issued @ 122/- per Share (including the share Premium of Rs.117/- per share) in March-2017 to Non-Promotors on Preferential basis. Further 15,00,000 Share Warrants were issued to Promotors @ Rs.122/- per share of which 25% i.e Rs.4,57,50,000/-is received during the Year and the balance 75% i.e Rs.13,72,50,000/- will be received in next 18 months

b) 10,00,000 Preference Shares of Rs.10/- each were redeemed during the Year on March 14, 2017.

D. Details of Money Recd. Against Share Warrants

The Company during the Year in March-2017 issued 15,00,000 Share Warrants to Promotors @ Rs.122/- each amounting to Rs.18,30,00,000/-. Out of it 25% i.e Rs.4,57,50,000/- are received in March-2017. The Balance amount i.e Rs.13,72,50,000/- shall be received within a period of next 18 months i.e by Dec-2018

Note 4 : Reserve & Surplus

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
General Reserve		
Balance as at the beginning of the year	10,77,28,310	15,74,64,310
Add: Transferred from Surplus in Statement of Profit and Loss during the year	2,00,00,000	1,00,00,000
Less:Issue of Bonus Shares	-	(5,97,36,000)
Balance as at the end of the year	12,77,28,310	10,77,28,310
Securities Premium Reserve		
Balance as at the beginning of the year	-	-
Add: During the year	12,87,00,000	-
Balance as at the end of the year	12,87,00,000	-
Surplus (Statement of Profit & Loss)		
Balance as at the beginning of the year	6,55,25,739	2,45,79,664
Add: Net Profit/ (Loss) for the Year	7,68,04,220	5,09,46,075
Less: Transfer to Reserves	2,00,00,000	1,00,00,000
Balance as at the end of the year	12,23,29,959	6,55,25,739
Total	**37,87,58,269**	**17,32,54,049**

Note 5 : Long Term Borrowings

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Secured		
Term Loans:		
-From Bank	7,20,64,909	13,29,68,959
-From Others	63,59,791	4,09,391
Unsecured		
From Related Parties	3,20,90,725	3,21,03,235
Security Deposits from Dealer	39,57,983	27,60,655
Total	**11,44,73,407**	**16,82,42,240**

Nature of Security and terms of repayment for Long Term Secured Borrowings :-

Details of Loans	Terms & Conditions
Term Loan amounting Rs.7,20,64,909 secured against mortage of Plot No131,sector-44,Gurgaon.	Repayable in 120 monthly installments commencing from August, 2014. Last installment due in Oct., 2023. Rate of interest 10.15% p.a as at year end
Vehicle Loan amounting Rs.59,69,855 secured by hypothecation of vehicles	Repayable in 60 monthly installments commencing from March 2017. Last installment due in Feb 2022. Rate of interest 8.50% p.a at Year end.
Vehicle Loan amounting Rs.3,89,936 secured by hypothecation of vehicles	Repayable in 36 monthly installments commencing from May 2016. Last installment due in April 2019. Rate of interest 9.75% p.a at Year end.

Note : Installments falling due in respect of all the above Loans upto 31-03-2017 have been grouped under “Current maturities of long-term debt" (Refer Note 9)

Note 6 : Deferred Tax Liabilities (Net)

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Opening Balance	32,10,113	27,41,743
Additions during the Year	30,19,200	4,68,370
Total	**62,29,313**	**32,10,113**

Note 7 : Long Term Provisions

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Provision for Gratuity	31,60,370	-
Provision for Leave Encashment	2,28,679	-
Total	**33,89,049**	**-**

Note 8 : Short Term Borrowings

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Secured		
Working Capital Loans Repayable on Demand from Banks*	39,89,21,066	37,52,76,252
Unsecured		
Loan From Banks	35,46,853	-
Total	**40,24,67,919**	**37,52,76,252**

*Working Capital facilities from Bank are secured by first charge on all current assets including inventories and book debts and first charge on all immovable assets of the company and further guaranteed by Sh. Naresh Kumar Bansal, Director and Sh. Richi Bansal, Director of the company

Note 9 : Trade Payable

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro and Small Enterprises	14,72,29,571	13,09,56,770
Total	**14,72,29,571**	**13,09,56,770**

Note 10 : Other Current Liabilities

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Current Maturities of Long Term Debt	2,12,08,705	2,73,38,452
Interest Accrued but not Due on Borrowings	4,67,982	-
Advance From Customers	3,56,04,060	3,43,26,071
Statutory Dues including Provident Fund and Tax Deducted at Source	1,48,29,858	1,12,69,865
Employee Benefits Payable	40,37,326	21,51,700
Expenses Payable	30,37,369	28,35,636
Total	**79,185,300**	**77,921,724**

Note 11 : Short Term Provisions

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Provision for Excise Duty on Finished Goods	55,26,740	69,05,243
Provision for Gratuity	18,59,553	-
Provision for Earned Leave Encashment	49,918	-
Provision for Taxation(Net)	1,77,86,166	1,69,42,691
Total	**2,52,22,377**	**2,38,47,934**

Note No 12 : Fixed Assets (Standalone)

(Amount in ₹)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2016	Additions during the Year	Sales / Adjusted during the Year	Total as on 31-03-2017	Up to 31-03-2016	During the Year	Adjustment during the Year	Up to 31-03-2017	W.D.V. as on 31-03-2017	W.D.V. as on 31-03-2016
Tangible Assets										
Land	2,97,25,609	-	-	2,97,25,609	-	-	-	-	2,97,25,609	2,97,25,609
Buildings	2,93,54,583	-	-	2,93,54,583	80,30,087	21,02,858	-	1,01,32,945	1,92,21,638	2,13,24,496
Factory Shed & Building	2,99,38,995	1,53,11,156	-	4,52,50,151	93,19,389	25,94,191	-	1,19,13,580	3,33,36,571	2,06,19,606
Plant & Machinery	20,22,36,628	7,10,85,666	-	27,33,22,294	11,81,79,840	1,99,84,587	-	13,81,64,427	13,51,57,867	8,40,56,788
Furniture & Fixture	17,61,659	45,063	-	18,06,722	11,84,202	1,67,562	-	13,51,764	4,54,958	5,77,457
Office Equipments	71,05,725	3,89,502	-	74,95,227	57,67,306	7,01,751	-	64,69,057	10,26,170	13,38,419
Vehicles	1,85,09,589	1,19,57,044	30,76,621	2,73,90,012	1,50,76,070	21,15,942	28,54,193	1,43,37,819	1,30,52,193	34,33,519
Electric Fittings & Installations	56,43,860	-	-	56,43,860	23,03,819	8,88,455	-	31,92,274	24,51,586	33,40,041
Computers	16,46,825	84,991	-	17,31,816	13,61,287	1,82,120	-	15,43,407	1,88,409	2,85,538
Total (A)	**32,59,23,473**	**9,88,73,422**	**30,76,621**	**42,17,20,274**	**161,222,000**	**2,87,37,466**	**28,54,193**	**18,71,05,273**	**23,46,15,000**	**16,47,01,473**
Intangible Assets										
Computers - Software	3,46,478	10,03,376	-	13,49,854	30,494	3,45,120	-	3,75,614	9,74,240	3,15,984
Total (B)	**3,46,478**	**10,03,376**	**-**	**13,49,854**	**30,494**	**3,45,120**	**-**	**3,75,614**	**9,74,240**	**3,15,984**
Capital Work in Progress										
Factory Shed and Building	59,42,620	34,77,245	94,19,865	-	-	-	-	-	-	59,42,620
Plant & Machinery	56,29,574	2,12,98,038	2,69,27,612	-	-	-	-	-	-	56,29,574
Office Equipments	1,02,188	-	1,02,188	-	-	-	-	-	-	1,02,188
Total (C)	**1,16,74,382**	**2,47,75,283**	**3,64,49,665**	**-**	**-**	**-**	**-**	**-**	**-**	**1,16,74,382**
TOTAL (A+B+C)	**33,79,44,333**	**12,46,52,080**	**3,95,26,286**	**42,30,70,128**	**16,12,52,494**	**2,90,82,586**	**28,54,193**	**18,74,80,887**	**23,55,89,240**	**17,66,91,839**
Previous Year	34,18,10,137	8,94,52,307	9,33,18,111	33,79,44,333	15,99,33,971	2,84,77,036	2,71,58,513	16,12,52,494	17,66,91,839	18,18,76,166

Note 13 : Non-Current Investment

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Trade Investments (valued at cost)		
a) Unquoted		
Investment in Joint Venture		
M/s Pir Panchal Construction Pvt. Ltd. Joint Venture, Jammu *	2,19,27,525	1,96,99,505
Investment in wholly owned Subsidiary Company		
M/s RST International Trading FZE, Dubai	90,20,000	90,20,000
M/s Lepakshi Tubes Pvt. Ltd.	1,00,000	-
Other Investments		
a) Quoted		
Investment in Equity Shares (At cost less Provision)		
25000 Equity Share of Rs.10/- each in Partap Industries Ltd. issued at Premium of Rs.10/- each (Previous Year 25000 Equity Shares)	5,00,000	5,00,000
60500 Equity Shares of Rs.10/- each in Uttam Value Steels Ltd. (Formerly Lloyd Steel Industries Ltd.) (Previous Year 60500 Equity Shares)	9,28,181	9,28,181
b) Unquoted		
Investment in Equity Shares (At cost less Provision)		
Two Equity Shares of Rs. 100/- each in CIDCO, Mumbai	200	200
Investment Property		
Immovable propert at Jaypee Green,Noida	-	10,04,79,910
Total	**3,24,75,906**	**13,06,27,795**
Aggregate book value of unquoted Investments	3,10,47,525	12,91,99,415
Aggregate book value of quoted Investments	14,28,381	14,28,381
Market Value of quoted Investments	-	-
Aggregate provision for diminuiton in value of Investments -	-	

* The share of Profit of the Company in the above Joint Venture is 25%. The Audited Financial Statements of M/s.Pirpanchal Constructions Pvt Ltd Joint Venture could not be obtained and statement of accounts of the Company has been prepared on the basis of provisional statements of accounts of Joint Venture Company.

Note 14 : Long Term Loans and Advances

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Unsecured, Considered Good:		
Capital Advances	46,53,454	17,48,375
Security Deposit	7,358,954	83,48,954
Other Loans & Advances	1,15,36,211	1,06,33,384
Total	**2,35,48,619**	**2,07,30,713**

Note 15 : Other Non Current Assets

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Long-Term Deposits with Banks with maturity period more than 12 Months*	1,21,60,457	-
Accrued Interest on above FDR's & Securities	6,23,280	-
Total	**1,27,83,737**	**-**

* Held as Lien by Bank against Bank Guarantees

Note 16 : Inventories

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Raw Material in Factory	38,67,73,667	18,67,98,762
Raw Material in Transit	4,31,85,447	3,79,30,817
Finished Goods	8,25,43,420	9,05,65,235
Rejection & Scrap	13,43,031	9,23,334
Consumables	5,67,700	5,26,700
Total	**51,44,13,265**	**31,67,44,848**

The closing stock of Finished Goods has been valued inclusive of Excise Duty amounting to Rs. 55,26,740/- Previous Year Rs.69,05,243/- as per ASI 14(Revised) issued by ICAI.

Note 17 : Trade Receivables

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Unsecured, Considered Good :		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	1,25,42,665	1,22,44,637
Trade receivables outstanding for a period less than six months from the date they are due for payment	288,982,379	18,51,89,033
Total	**30,15,25,044**	**19,74,33,670**

Note 18 : Cash & Bank Balances

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Cash & Cash Equivalents		
Cash on Hand	10,75,081	35,31,873
Bank Balances		
- Current Accounts	1,84,98,014	25,32,974
- EEFC	28,239	27,237
- Short-Term Deposits with Banks with maturity period upto 12 Months*	4,40,13,681	4,84,68,549
Total	**6,36,15,015**	**5,45,60,632**

* Held as Lien by Bank against Bank Guarantees

Note 19 : Short Terms Loans and Advances

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Advance to Suppliers	87,95,829	5,54,00,431
Prepaid Expenses	27,66,365	50,74,480
Balances with Government Authorities	6,51,35,882	6,60,55,065
Total	**7,66,98,077**	**12,65,29,975**

Note 20 : Other Current Assets

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Accrued Interest on FDR's & Securities	13,58,719	43,95,028
Other Receivables	2,08,67,584	96,64,583
Total	**2,22,26,303**	**1,40,59,611**

Note 21: Revenue from Operations

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Sales (Finished Goods) - Domestic	2,23,61,33,177	2,05,80,00,833
Sales (Finished Goods) - Export	297,044,166	31,05,43,382
	2,53,31,77,344	2,36,85,44,215
Sales (Raw Material Cleared as such)	5,35,13,352	4,59,338
Job Work Receipts	11,44,770	11,28,441
Export Incentive	79,00,580	49,57,813
Gross Revenue	2,59,57,36,045	2,37,50,89,807
Less: Excise Duty	24,69,75,980	22,05,31,746
Total	**2,34,87,60,065**	**2,15,45,58,061**

(Amount in ₹)

Detail of sale of Products	Current Year	Previous Year
Manufactured Goods :		
Black Pipe/Tubes	2,05,83,21,156	1,77,17,11,562
GP Pipe/Tubes	39,98,49,985	46,96,38,059
Rejected Pipes /Scrap	7,61,88,041	8,72,97,910
Others	2,426,473	4,20,77,455
Less : Rebate and Discount	(36,08,310)	(21,80,771)
	2,53,31,77,344	2,36,85,44,215
Raw Material Goods Removed as Such:		
HR Strip/Coil	5,35,13,352	4,59,338
	5,35,13,352	4,59,338
Total	**2,58,66,90,696**	**2,36,90,03,553**

Note 22: Other Income

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Interest Earned on FDRs	52,58,151	36,90,851
Gain on sale of Depreciable Assets	2,77,572	4,02,972
Misc. Income	2,53,13,152	1,70,25,523
Foreign Exchange Fluctuation *	40,34,450	96,61,120
Total	**3,48,83,326**	**3,07,80,466**

* The amount includes Rs.5,58,818/- being the loss on account of exchange rate variance as at 31-03-2017 on the outstanding amount of Loan Rs.42,51,535/- to the Wholly owned Subisidiary viz. RST International Trading FZE in Dubai

Note 23 : Cost of Material Consumed

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Raw Materials		
Opening Stock	18,67,98,762	11,45,75,775
Add: Purchase	2,24,37,54,789	1,88,05,13,528
Less: Closing Stock	(42,99,59,114)	(18,67,98,762)
Less: Cost of Raw Material cleared as such	(5,30,10,891)	(4,51,208)
	1,94,75,83,546	**1,80,78,39,333**
Stores and Spares		
Stores & Consumables	1,42,11,966	1,63,38,077
Total	**1,96,17,95,512**	**1,82,41,77,410**

Detail of Raw Material Consumed (Amount in ₹)

Particulars	Current Year	Previous Year
HR/GP Coil	1,80,55,33,932	1,70,55,94,583
Black pipe	7,67,77,638	1,98,73,385
Zinc & Others	6,52,71,976	8,23,71,365
Consumables	1,42,11,966	1,63,38,077
Total	**1,96,17,95,512**	**1,82,41,77,410**

The above Raw material consumed includes indigenous materials of Rs.190,66,02,450/- and imported material Rs.5,51,73,944/- during the year

Note : 24 Change in Inventories (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Opening Stock		
Finished Goods	9,14,88,569	14,11,85,259
Total (A)	**9,14,88,569**	**14,11,85,259**
Closing Stock		
Finished Goods	8,38,86,451	9,14,88,569
Total (B)	**8,38,86,451**	**9,14,88,569**
Total (B-A)	**76,02,118**	**4,96,96,690**

Note : 25 Employee Benefit Expenses (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Salaries, Wages, Bonus etc.	2,90,68,300	2,70,92,555
Contribution to Provident and other Funds	13,14,084	16,80,508
Staff Welfare Expenses	5,94,699	5,64,544
Gratuity (a)	13,67,327	-
Leave Encashment (b)	-	-
Total	**3,23,44,410**	**2,93,37,607**

Defined Benefit Plan (unfunded)

(a) Gratuity : The Company has a defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(i) Present Value of Defined Benefit Obligation (Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Balance at the beginning of the year	37,11,744	44,77,787
Interest cost	2,96,940	3,47,028
Current service cost	5,68,061	3,78,247
Benefits paid	(59,148)	(11,76,106)
Actuarial (gains) / losses on obligation	5,02,326	(3,15,212)
Total	**50,19,923**	**37,11,744**

(ii) Assets and Liabilities recognised in the Balance Sheet **(Amount in ₹)**

Particulars	As at 31-March-2017	As at 31-March-2016
Liability at the end of Year		
Unrecognised past service cost/transition liability	50,19,923	-
Amount Recognised in the Balance Sheet	**50,19,923**	**-**
Recognised Under:		
Long Term Provision (Refer Note 7)	31,60,370	-
Short Term Provision (Refer Note 10)	18,59,553	-
	50,19,923	**-**

(iii) Expense recognised in the Statement of Profit and Loss **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Current service cost	5,68,061	-
Past service cost	-	-
Interest cost	2,96,940	-
Expected Return on Plan Assets	-	-
Net actuarial (gain)/loss recognised in the period	5,02,326	-
Expenses recognised in the Statement of Profit and Loss	**13,67,327**	**-**

(iv) Actuarial assumptions **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Discount Rate per annum	7.75%	8.00%
Salary Escalation rate per annum	6%	6%

The estimate of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

(b) Leave Encashment : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.
The reconciliation of opening and closing balances of the present vale of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation **(Amount in ₹)**

Particulars	As at 31-March-2017	As at 31-March-2016
Balance at the beginning of the year	3,31,750	3,94,194
Interest cost	26,540	30,550
Current service cost	47,740	56,930
Benefits paid	-	(2,05,475)
Actuarial (gains) / losses on obligation	(1,27,433)	55,551
Balance at the end of the year	**2,78,597**	**3,31,750**

(ii) Assets and Liabilities recognised in the Balance Sheet **(Amount in ₹)**

Particulars	As at 31-March-2017	As at 31-March-2016
Liability at the end of Year		
Unrecognised past service cost/transition liability	2,78,597	-
Amount Recognised as Liability in the Balance Sheet	2,78,597	-
Recognised Under :		
Long Term Provision (Refer Note 7)	2,28,679	-
Short Term Provision (Refer Note 10)	49,918	-
	2,78,597	**-**

(iii) Expense recognised in the Statement of Profit and Loss **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Current service cost	47,740	-
Past service cost	-	-
Interest cost	26,540	-
Expected Return on Plan Assets	-	-
Net actuarial (gain)/loss recognised in the period	(1,27,433)	-
Expenses recognised in the Statement of Profit and Loss	**(53,153)**	**-**

(iv) Economic assumptions **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Discount Rate per annum	7.37%	8.00%
Salary Escalation rate per annum	6.00%	6.00%
Retirement Age	58 Years	58 Years
Mortality Table	IALM [2006-2008]	IALM [2006-2008]
Employee Turnover/Attrition Rate		
18 to 30 Years	3%	3%
30 to 45 Years	2%	2%
Above 45 Years	1%	1%

Note 26 : Finance Cost **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
1 Interest Expense	6,84,78,986	5,48,86,166
2 Other Borrowing Cost	75,86,814	67,46,643
Total	**7,60,65,800**	**6,16,32,810**

Note 27 : Depreciation **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Depreciation	2,90,82,586	2,84,77,036
Total	**2,90,82,586**	**2,84,77,036**

Note 28: Other Expenses

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Job Work Charges	23,45,467	18,81,861
Power & Fuel Expenses	3,90,61,829	4,25,43,931
Repair & Maintenance :-		
Building	20,65,456	29,14,184
Plant & Machinery	29,28,974	46,64,004
Rent	19,04,670	21,64,430
Printing & Stationery	6,74,528	4,34,691
Postage & Telephone	14,10,188	12,19,005
Vehicle Running Expenses	13,19,815	11,81,290
Fees & Taxes	29,44,196	25,07,109
Travelling Expenses:		
Directors	30,62,282	23,12,558
Others	30,16,010	17,62,084
Legal & Professional Charges	47,25,525	15,38,157
Loss on sale of Investments	4,71,053	-
Donation	7,57,500	-
Miscellaneous Expenses	2,87,517	5,75,613
Auditor's Remuneration	2,00,000	1,00,000
Insurance	3,93,191	5,23,407
Key-man Insurance	3,57,778	6,90,822
Office Expenses	4,34,802	8,54,545
Advertisement Expenses	3,26,985	3,23,853
Commission	66,92,639	92,98,202
Freight Outward	2,53,28,710	3,30,07,912
Sales Promotion	24,55,729	29,92,016
Additional Demand-Duties & Taxes	7,58,687	7,77,252
Bad Debt	20,35,667	-
Other Selling Expenes	5,03,305	3,22,486
Total	**10,64,62,504**	**11,45,89,413**

Note 29 : Exceptional & Prior Period Items

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Gratuity	37,11,744	-
Leave Encashment	2,78,597	-
Total	**39,90,341**	**-**

Note 30 : Auditor's Renumeration

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Statutory Audit	1,60,000	80,000
Tax Audit	40,000	20,000
Other Audit services/certification	14,040	-
Reimbursement of expenses	-	-
Total	**2,14,040**	**1,00,000**

Note 31: Leases

The Company has taken various commercial premises under cancellable operating leases. The rental expense for the current year, in respect of operating leases was ₹ 1,800,000.
The future minimum lease payments in respect of such leases are as follows:

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Within 1 year	9,00,000	9,00,000
After 1 year and not more than 5 years -	-	
Total	**9,00,000**	**9,00,000**

Note 32 : Contingent Liabilities

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
(a) Disputed claims / levies in respect of		
- Value Added Tax	-	-
- Excise Duty	-	-
- Service tax	-	-
(b) Bank Guarantees given on behalf of the company to Suppliers/Govt Authorities	20,57,44,159	21,06,52,411
(C) Outstanding Commitments under Letters of Credit	11,07,82,777	13,82,45,932

Note 33 : Related Party Disclosures

Related party disclosures, as required by AS18, "Related Party Disclosures", are given below:

I. Relationships where control exists:

Holding Company

Rama Steel Tubes Ltd.

Subsidiaries of the Company:

RST International Trading FZE
Lepakshi Tubes Pvt Ltd.

II. Other Related Parties:

(a) Key Management Personnel:

(i) Board of Directors: (From 01.04.2016 to 31.03.2017)

Mr. Naresh Kumar Bansal
Mr. Richi Bansal

(ii) Relatives of Key Management Personnel:

Ms. Kumud Bansal
Mr. Nikhil Bansal

(b) Companies in which Key Managerial Personnel or their relatives have control/significant influence:

M/s Advance Hightech Agro Products Pvt. Ltd.
M/s Ravi Developers Pvt. Ltd.
M/s Pir Panchal Construction Pvt. Ltd. Joint Venture
M/s RST International Trading FZE
M/s Lepakshi Tubes Pvt. Ltd.

III. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in I & II above:

(Amount in ₹)

Particulars	Parties mentioned in 33 (II) (a) above		Parties mentioned in 33 (II) (b) above	
	Year Ended 31-03-2017	Year Ended 31-03-2016	Year Ended 31-03-2017	Year Ended 31-03-2016
Remuneration Paid	51,68,870	41,65,000	-	-
Interest Paid	41,54,298	14,30,595	3,11,960	3,77,830
Rent Paid	18,00,000	19,66,720	-	-
Amount Received on sale of property	10,15,20,813	-	-	-
Amount due to Related Parties	2,56,72,833	2,72,81,675	54,29,613	54,33,849
Amount due from Related Parties	-	-	3,33,72,739	2,95,44,889

Note 34 : CIF Value of Imports

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Raw Materials	5,51,73,944	20,39,85,095

Note 35 : Disclosure as per Schedule III of Companies Act, 2013
Details of Specified Bank Notes held and transacted during the period 08 Nov., 2016 to 30 Dec., 2016.

(Amount in ₹)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2,61,95,00	4,05,301	30,24,801
(+) Permitted Receipts	65,000	6,45,000	7,10,000
(-) Permitted Payments	17,34,500	6,74,822	24,09,322
(-) Amount deposited in Banks	9,50,000	-	9,50,000
Closing cash in hand as on 30.12.2016	**-**	**3,75,479**	**3,75,479**

Note 36 : Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006	-	-
Total	**-**	**-**

Note 37 : Expenditure in Foreign Currency (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Commission for Sales	3,04,973	12,73,470
Travelling	13,85,435	15,54,233
Business Promotion	5,116,318	200,932
Total	**6,806,726**	**3,028,635**

Note 38 : Earnings in Foreign Currency (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
FOB Value of Exports	29,70,44,166	31,05,43,382
Total	**29,70,44,166**	**31,05,43,382**

Note 39: CSR Expenses

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the company. The areas for CSR activities are of Skill Development and Vocation based education, Livelihood enhancement, Waste Management and Sanitation, Environmental sustainability, Women and Youth empowerment, Disaster Relief, National Missions projects which are specified in Schedule VII of the Companies Act, 2013.

The Company is in the process of formalising the Scheme for CSR expense and has created a provision of ₹ 7,52,000 during the year.

Note 40 : Earning per share (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Net profit after tax attributable to shareholders	7,68,04,220	5,09,46,075
Weighted average number of equity shares outstanding during the year	1,49,43,041	1,49,34,000
Nominal value per share	5.00	5.00
Basic earning per share	5.14	3.41
Diluted earning per share	5.14	3.41

Note 41: Previous Year's Figures

Previous Year's Figures have been recasted /regrouped where consider necessary to conform with the current year's presentation

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

Sd/-
Praveen Kumar Jain
Partner
Membership No. : 082515

Place : New Delhi
Date : 27-05-2017

For and On Behalf of the Board

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

CONSOLIDATED **FINANCIAL STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To
The Members,
Rama Steel Tubes Limited
New Delhi

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rama Steel Tubes Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to "The Group") comprising the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act'2013 ("the act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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) Rule'2014. The respective Board of Directors of the companies included in the Group are also responsible for 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 the 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 internal financial control that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and fair 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 consolidated financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidences obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in of the Other Matters paragraph below, are sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31st 2017, and their consolidated profit and their consolidated cash flows for the year then ended on that date.

Other Matters

We did not audit the financial statements of subsidiary company **M/S RST INTERNATIONAL TRADING FZE** whose financial statements reflect total assets of Rs.4,51,61,726/- as at March 31,2017, as well as total revenues of Rs.25,20,21,054/- and net cash flows amounting to Rs.49,40,969/- for the year then ended, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based on solely on the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements.

b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated 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 written representations received from the directors of the Holding Company and the subsidiary companies as on 31st March 2017, taken on record by the Board of Directors of the Holding Company and the subsidiary companies, none of the directors of the Holding Company and subsidiary companies are disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our report in Annexure A.

g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules'2014 in our opinion and to our best of our information and according to the explanations given to us:

   i. The Group does not have any pending litigations which could impact its financial position in the financial statements.
   ii. The Group has made provision as at 31st March 2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
   iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended 31st March 2017.
   iv. The Group has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the Company.

For VAPS & Company
Chartered Accountants,
ICAI Firm Registration No. 003612N

Sd/-
Praveen Kumar Jain
Partner
Membership No.:082515

Place : New Delhi
Dated : 27th May 2017

Annexure (A) to the Independent Auditors' Report

Referred to in paragraph 10(f of the Independent Auditor's Report of even date to the members of Rama Steel Tubes Limited on the Consolidated financial statements for the year ended 31st March 2017:

Report on the Internal Financial Controls under clause (i) of the sub-section 3 of Section 143 of the Act

In conjunction with our audit of consolidated financial statements of RAMA STEEL TUBES LIMITED ("The Company") as of and for the year March 31, 2017, we have audited the internal financial controls over financial reporting of RAMA STEEL TUBES LIMITED ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the Holding company and its subsidiaries, are 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(ICAI).These responsibilities include of 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 its 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.

Auditor's 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 deemed to be prescribed under Sec 143(10) of the Act 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 ICAI. 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiaries have, 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 31st March2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VAPS & Company
Chartered Accountants,
ICAI Firm Registration. Number: 003612 N

Sd/-
Praveen Kumar Jain
Partner
Membership No. 082515

Place : New Delhi
Dated : 27th May 2017

Consolidated Balance Sheet As At March 31, 2017

(Amount in ₹)

Particulars	Note No.	As at 31-March-2017	As at 31-March-2016
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	3	8,01,70,000	8,46,70,000
Reserves and Surplus	4	40,15,04,005	18,25,40,735
Money received against share warrants		45,750,000	-
Non-Current Liabilities			
Long-Term Borrowings	5	14,66,97,017	16,82,42,240
Deferred Tax Liabilities (Net)	6	62,29,313	32,10,113
Other Long Term Liabilities		-	-
Long Term Provisions	7	33,89,049	-
Current Liabilities			
Short-Term Borrowings	8	40,24,67,919	37,52,76,252
Trade Payables	9	15,39,38,447	15,29,11,594
Other Current Liabilities	10	8,91,36,611	8,11,82,815
Short-Term Provisions	11	2,52,22,377	2,38,47,934
Total		**1,35,45,04,739**	**1,07,18,81,684**
ASSETS			
Non-Current Assets			
Fixed Assets	12		
(a) Tangible Assets		26,37,74,394	16,47,46,771
(b) Intangible Assets		9,74,240	3,15,984
(c) Capital Work-In-Progress		1,13,60,509	1,16,74,382
Non-current investments	13	2,33,55,906	12,16,07,795
Long term loans and advances	14	1,56,27,317	1,10,37,334
Other non-current assets	15	1,54,14,834	-
Current Assets			
Current investments		-	-
Inventories	16	51,44,13,265	31,67,44,848
Trade receivables	17	32,78,34,292	23,53,61,868
Cash and cash equivalents	18	7,64,89,846	6,17,58,178
Short-term loans and advances	19	8,30,33,833	13,45,74,913
Other current assets	20	2,22,26,303	1,40,59,611
Total		**1,35,45,04,739**	**1,07,18,81,684**

Notes referred to above and notes attached there to form an integral part of Balance Sheet. This is the Balance Sheet referred to in our Report of even date.

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

Sd/
Praveen Kumar Jain
Partner
Membership No. : 082515

Place : New Delhi
Date : 27-05-2017

For and On Behalf of the Board

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

Statement Of Consolidated Profit & Loss For The Year Ended March 31, 2017

(Amount in ₹)

Particulars	Note No.	Year Ended 31-03-2017	Year Ended 31-03-2016
REVENUES			
Revenue from Operations (Gross)	21	2,84,42,33,561	2,64,00,20,953
Less: Excise Duty		24,69,75,980	22,05,31,746
Revenue fom Operations (Net)		2,59,72,57,581	2,41,94,89,207
Other Income	22	3,84,06,864	3,08,24,628
Total Revenue		**2,63,56,64,445**	**2,45,03,13,836**
EXPENSES:			
Cost of Materials consumed	23	1,96,17,95,512	1,82,41,77,410
Purchase of Stock-in-Trade		28,43,51,628	24,83,72,673
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	76,02,118	4,96,96,690
Employee Benefit Expense	25	3,49,18,479	3,11,77,182
Financial Costs	26	7,62,18,700	6,18,39,115
Depreciation and Amortization Expense	27	2,91,02,665	2,84,81,149
Other Expenses	28	11,05,52,050	12,03,06,577
Total Expenses		**2,50,45,41,151**	**2,36,40,50,796**
Profit before Exceptional & Prior Period Items		13,11,23,293	8,62,63,040
Less : Exceptional & Prior Period Items	29	3,990,341	-
Profit before Tax		**12,71,32,952**	**8,62,63,040**
Tax Expenses:			
(a) Current tax		3,22,90,000	2,55,30,300
(b) Deferred tax		30,19,200	4,68,370
(c) Earlier Year Income Tax Adjustment		11,75,809	31,609
(d) MAT Credit Entitlement		-	
Profit/(Loss) for the year		**9,06,47,943**	**6,02,32,761**
Earning per equity share of Rs.5/- each:			
(1) Basic		6.07	4.03
(2) Diluted		6.07	4.03

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement. This is the Profit & Loss Statement referred to in our Report of even date.

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

For and On Behalf of the Board

Sd/-
Praveen Kumar Jain
Partner
Membership No. : 082515

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Place : New Delhi
Date : 27-05-2017

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

Consolidated Cash Flow Statement For The Year Ended On March 31, 2017

(Amount in ₹)

PARTICULARS	Year Ended 31-03-2017	Year Ended 31-03-2016
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax	12,71,32,952	8,62,63,040
Adjustments for :		
Depreciation and Amortization Expense	2,91,02,665	2,84,81,149
Depreciation capitalized to Unamortized Exp. (Non-Current Assets)	1,41,653	-
Foreign Exchange Fluctuation directly debited to Exchange Reserves	(3,84,673)	-
Interest & Finance Charges	7,62,18,700	6,18,39,115
Gain / Loss on Sale of Fixed assets	(2,77,572)	(4,02,972)
Operating profit before working capital changes	**23,19,33,725**	**17,61,80,332**
Adjustments for :		
Increase/Decrease in Trade Receivables	(9,24,72,424)	(12,40,28,128)
Increase/Decrease in Other Receivables	4,49,04,770	4,86,85,785
Increase/Decrease in Inventories	(19,76,68,417)	(6,05,71,714)
Increase/Decrease in Trade & Other payable	95,11,617	1,91,61,141
Cash generated from operations	(37,90,729)	5,94,27,416
Income Tax Paid	(3,26,22,334)	(95,24,808)
Net cash from operating activities	**(3,64,13,063)**	**4,99,02,608**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(12,88,38,753)	(2,55,76,649)
Sale of Fixed Assets	5,00,000	26,37,500
Additions to Investments	9,82,51,889	57,51,793
Additions to Non-current Assets	(1,54,14,834)	-
Advance for Fixed Assets	(61,20,365)	22,30,051
Net Cash used in investing activities	**(5,16,22,062)**	**(1,49,57,305)**
CASH FLOW FROM FINANCE ACTIVITIES		
Issue of Equity Shares including Share Premium	13,42,00,000	5,97,36,000
Redemption of Preference Shares	(1,00,00,000)	-
Issue of Share Warrants	4,57,50,000	-
General Reserve utilized for Issue of Bonus Shares	-	(5,97,36,000)
Receipt/Repayment of Secured loans	(2,77,61,984)	(1,06,07,655)
Receipt/Repayment of unsecured loans	3,34,08,428	2,47,11,198
Increase in Long-Term Provisions	33,89,049	-
Interest & Finance Charges	(7,62,18,700)	(6,18,39,115)
Net cash generated from Financing activities	**10,27,66,793**	**(4,77,35,572)**
NET CHANGE IN CASH EQUIVALENT (A+B+C)	1,47,31,668	(1,27,90,270)
CASH & CASH EQUIVALENT		
Opening Balance	6,17,58,178	7,45,48,448
Net Change in Cash & Cash Equivalent	1,47,31,668	(1,27,90,270)
Closing Balance	7,64,89,846	6,17,58,178

Notes :

1. Cash & Cash Equivalents represents Cash & Bank Balances and deposit with Banks as per Note No 17
2. The Cash Flow Statement has been prepared under the "Indirect method " as set out in the Accounting Standard (AS -3) "Cash Flow Statement".
3. Figures in Brackets indicate cash outflow.

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

For and On Behalf of the Board

Sd/-
Praveen Kumar Jain
Partner
Membership No. : 082515

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Place : New Delhi
Date : 27-05-2017

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

Notes to the Consolidated financial statements

1. General Information

Rama Steel Tubes Limited incorporated on 26-02-1974 is engaged in the business of manufacturing of Steel Pipes and Related products. The company is a public company listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)

2. Summary of significant accounting policies

2.1 Basis of Accounting

These financial statements have been prepared as per the Going Concern assumption in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules,2014 till the standard of accounting or any addendum are prescribed by the Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing accounting standards notified under Companoes Act, 1956 shall continue to apply.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.2 Revenue Recognition

Sales are recognized on transfer of significant risks and rewards to the customer which takes place on dispatch of goods.

2.3 Fixed Assets

Tangible Assets

Fixed Assets (except Freehold Land, which is carried at cost) are carried at cost of acquisition or construction or at manufacturing cost (in case of own manufactured costs) in the year of capitalisation, less accumulated depreciation.

2.3 Depreciation

Tangible Assets

i) Tangible Assets are stated at acquisition cost, net of accumulated depreciation.
Items of Fixed Assets that have been retired from active use and are held for disposal are stated at the lower of their Net Book Value and Net Realisable Value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.
Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are arrived at cost are recognised in the Statement of Profit and Loss.

ii) Depreciation has been provided in accordance with useful lives prescribed in the Companies Act, 2013 on Written Down Value method

2.4 Foreign Currency Transactions

Transactions in foreign exchange are accounted for at the closing rate of previous month. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the balance sheet date and the resultant gain or loss is recognized in the Statement of Profit and Loss. Exchange difference arising on payment or translation of liabilities and receivables is recognized as income or expense in the year in which the same arises.

2.5 Employee Benefits

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Gratuity:

The Company has Defined Benefit plan, namely gratuity for employees (unfunded), the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of the year. Gains and losses arising out of actuarial valuations are recognised immediately in the Statement of Profit and Loss as income or expense.

Provident Fund:

The Company has Defined Contribution plan for the post employment benefits namely Provident Fund which is recognised by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to Statement of Profit and Loss every year.

2.6 Interest Income
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.7 Leases
Lease of assets under which, all the risks and benefits of ownership are effectively retained by the lessor are classified as Operating Lease. Lease rental in respect of assets taken on operating leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term.

2.8 Provisions and Contingencies
Provisions : Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.
Contingent Liability : A disclosure of contingent liability is made when there is a present obligation that may require an outflow of resources or where a reliable estimate of such obligation cannot be made.

2.9 Cash and Cash Equivalents
In the Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposits with bank,other short term highly liquid investments with original maturities of three months or less.

2.10 Investments
Investments that are readily realisable and are intended to be held for not more than one year from the date,on which such investments are made, are classified as Current Investments.All other investments are classified as Non Current Investments. Current Investments are valued at lower of Cost and Fair value. Non Current Investments are valued at cost, except in the case of other than temporary decline in value, in which case neccessary provision is made.

2.11 Impairment Assets
At each Balance Sheet Date,the company assesses whether there is any indication that an asset may be impaired. If any such indications exists, the Company estimates the recoverable amount and if the carrying amount exceeds its recoverable amount,an impairment loss is recognised in the Statement of Profit and Loss to the extent the carrying amount exceds the recoverable amount.

2.12 Taxes
Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. 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. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.13 Earnings per Share
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.Earnings considered in ascertaining the Company's earning per share consist of the net profit for the period and any attributable tax thereon.The weighted average number of shares outstanding during the period and for all periods presented is adjusted for events other than the conversion of potential equity shares outstanding, without a corresponding change in resources. For the purposes of calculating diluted earnings per share,the net profit or loss for the period attriubtable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes Forming Integral Part of the Consolidated Balance Sheet as at March 31, 2017

Note 3 : Share Capital

(Amount in ₹)

Particulars	As at 31-03-2017	As at 31-03-2016
AUTHORIZED CAPITAL		
1,80,00,000 Equity Shares of Rs.5/- each (Previous Year 1,50,00,000 Equity Shares of Rs.5/- each)	9,00,00,000	7,50,00,000
25,00,000, 5% Non Cumulative Redeemable Preference Shares of Rs. 10/- each (Previous Year 25,00,000 5% Non Cumulative Redeemable Preference Shares of Rs.10/- each)	2,50,00,000	2,50,00,000
	11,50,00,000	**10,00,00,000**
ISSUED , SUBSCRIBED & PAID UP CAPITAL		
1,60,34,000 Equity Shares of Rs.5/- each fully paid up (Previous Year 1,49,34,000 Equity Shares of Rs.5/- each fully paid up)	8,01,70,000	7,46,70,000
Preference Shares (Previous Year 10,00,000 5% Non-Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up)	-	1,00,00,000
Total	**8,01,70,000**	**8,46,70,000**

A. Reconciliation of the number of issued, subscribed and paid-up shares :

Equity Shares of Rs.5/- Each fully paid up	As at 31-03-2017		As at 31-03-2016	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Balance as at the beginning of the year	1,49,34,000	7,46,70,000	14,93,400	1,49,34,000
Additions during the year:	11,00,000	55,00,000	1,49,34,000	7,46,70,000
Deletion during the year :	-	-	14,93,400	1,49,34,000
Balance as at the end of the year	**1,60,34,000**	**8,01,70,000**	**1,49,34,000**	**7,46,70,000**

5% Non-Cumulative Redeemable Preference Shares of Rs.10/- each Fully paid	As at 31-03-2017		As at 31-03-2016	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Additions during the year:	-	-	-	-
Deletion during the year :	10,00,000	1,00,00,000	-	-
Balance as at the end of the year	**-**	**-**	**10,00,000**	**1,00,00,000**

B. Rights,Preferences and restrictions attached to shares

EquityShares :The company has one class of equity shates having a par value of Rs.5 per share. Each shareholder is elgible for one vote per shareheld. The dividend proposed by the Boarcd of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts,in proportion to their shareholding.

C. Details of Shares held by shareholders holding more than 5% of the aggregate shares of the company :

Name of the Shareholder	Current Year		Previous Year	
	No. of shares Held	% of Holding	No. of shares Held	% of Holding
Naresh Kumar Bansal	59,28,000	36.97	74,28,000	49.74
Richi Bansal	12,93,000	8.06	12,93,000	8.66
Nikhil Naresh Bansal	12,66,000	7.90	12,66,000	8.48
Arun Enterprises (a Partnership Firm)	9,54,821	5.95	–	–

a.) 11,00,000 Equity Shares of Rs.5/- each were issued @ 122/-per Share (including the share Premium of Rs.117/- per share) in March-2017 to Non Promotors on Preferential basis. Further 15,00,000 Share Warrants were issued to Promotors @ Rs.122/-per share of which 25% i.e Rs.4,57,50,000/- is received during the Year and the balance 75% i.e Rs.13,72,50,000/- will be received in next 18 months

b.) 10,00,000 Preference Shares of Rs.10/- each were redeemed during the Year on March 14, 2017

B. Details of Money Recd. Against Share Warrants

The Company during the Year in March- 2017 issued 15,00,000 Share Warrants to Promotors @ Rs.122/-each amounting to Rs.18,30,00,000/-.Outo fit 25% i.e Rs.4,57,50,000/- are received in March 2017. The Balance amount i.e Rs.13,72,50,000/- shall bereceived within a period of next 18 months i.e by Dec-2018

Note 4 : Reserve & Surplus

(Amount in ₹)

Particulars	As at 31-03-2017	As at 31-03-2016
General Reserve		
Balance as at the beginning of the year	10,77,28,310	15,74,64,310
Add: Transferred from Surplus in Statement of Profit and Loss during the year	2,00,00,000	1,00,00,000
Less:Issue of Bonus Shares	-	(5,97,36,000)
Balance as at the end of the year	**12,77,28,310**	**10,77,28,310**
Securities Premium Reserve		
Balance as at the beginning of the year	-	-
Add: During the year	12,87,00,000	-
Balance as at the end of the year	**12,87,00,000**	**-**
Foreign Currency Translation Reserve		
Balance as at the beginning of the year	-	-
Add: During the year	(3,84,673)	-
Balance as at the end of the year	**(3,84,673)**	-
Surplus (Statement of Profit & Loss)		
Balance brought forward from previous year	7,48,12,425	2,45,79,664
Add: Net Profit/ (Loss) for the Year	9,06,47,943	6,02,32,761
Less: Transfer to Reserves	2,00,00,000	1,00,00,000
Closing Balance	**14,54,60,368**	**7,48,12,425**
Total	**40,15,04,005**	**18,25,40,735**

Note 5 : Long Term Borrowings

Particulars	As at 31-03-2017	As at 31-03-2016
Secured		
Term Loan		
- From Bank	7,20,64,909	13,29,68,959
- From Others	63,59,791	4,09,391
Unsecured		
- From related parties	6,43,14,335	3,21,03,235
- Security Deposits from Dealer	39,57,983	27,60,655
Total	**14,66,97,017**	**16,82,42,240**

Nature of Security and terms of repayment for Long Term Secured Borrowings :-

Loan Amount	Terms & Conditions
Term Loan amounting Rs.7,20,64,909 secured against mortage of Plot No131,sector-44,Gurgaon.	Repayable in 120 monthly installments commencing from August, 2014. Last installment due in Oct., 2023. Rate of interest 10.15% p.a as at year end
Vehicle Loan amounting Rs.59,69,855 secured by hypothecation of vehicles	Repayable in 60 monthly installments commencing from March 2017. Last installment due in Feb 2022. Rate of interest 8.50% p.a at Year end.
Vehicle Loan amounting Rs.3,89,936 secured by hypothecation of vehicles	Repayable in 36 monthly installments commencing from May 2016. Last installment due in April 2019. Rate of interest 9.75% p.a at Year end.

Note : Installments falling due in respect of all the above Loans upto 31-03-2017 have been grouped under "Current maturities of long-term debt" (Refer Note 9)

Note 6 : Deferred Tax Liabilities (Net)

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
-Opening Balance	32,10,113	27,41,743
-Additions during the Year	30,19,200	4,68,370
Total	**62,29,313**	**32,10,113**

Note 7 : Long Term Provisions

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Provision for Gratuity	31,60,370	-
Provision for Leave Encashment	2,28,679	-
Total	**33,89,049**	**-**

Note 8 : Short Term Borrowings

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Secured		
Working Capital Loans Repayable on Demand from Banks*	39,89,21,066	37,52,76,252
Unsecured		
Loan From Banks	35,46,853	-
Total	**40,24,67,919**	**37,52,76,252**

*Working Capital facilities from Bank are secured by first charge on inventories and book debts and first charge on all immovable assets of the company and further guaranteed by Sh. Naresh Kumar Bansal, Director and Sh. Richi Bansal, Director of the company

Note 9 : Trade Payable

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro and Small Enterprises	15,39,38,447	15,29,11,594
Total	**15,39,38,447**	**15,29,11,594**

Note 10 : Other Current Liabilities

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Current Maturities of Long Term Debt	2,12,08,705	2,73,38,452
Interest Accrued but not Due on Borrowings	4,67,982	-
Advance From Customers	4,51,67,125	3,74,12,174
Statutory Dues including Provident Fund and Tax Deducted at Source	1,48,72,882	1,12,69,865
Employee Benefits Payable	42,74,827	22,87,000
Expenses Payable	31,45,090	28,75,324
Total	**8,91,36,611**	**8,11,82,815**

Note 11 : Short Term Provisions

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Provision for Excise Duty on Finished Goods	55,26,740	69,05,243
Provision for Gratuity	18,59,553	-
Provision for Earned Leave Encashment	49,918	-
Provision for Taxation(Net)	1,77,86,166	1,69,42,691
Total	**2,52,22,377**	**2,38,47,934**

Note No :12 Fixed Assets (Consolidated)

(Amount in ₹)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2016	Additions during the Year	Sales / Adjusted during the Year	Total as on 31-03-2017	Up to 31-03-2016	During the Year	Adjustment during the Year	Up to 31-03-2017	W.D.V. as on 31-03-2017	W.D.V. as on 31-03-2016
Tangible Assets										
Land	2,97,25,609	2,83,59,400	-	5,80,85,009	-	-	-	-	5,80,85,009	2,97,25,609
Buildings	2,93,54,583	-	-	2,93,54,583	80,30,087	21,02,858	-	1,01,32,945	1,92,21,638	2,13,24,496
Factory Shed & Building	2,99,38,995	1,53,11,156	-	4,52,50,151	93,19,389	25,94,191	-	1,19,13,580	3,33,36,571	2,06,19,606
Plant & Machinery	20,22,36,628	7,10,85,666	-	27,33,22,294	11,81,79,840	1,99,84,587	-	13,81,64,427	13,51,57,867	8,40,56,788
Furniture & Fixture	17,61,659	80,013	-	18,41,672	11,84,202	1,72,005	-	13,56,207	4,85,465	5,77,457
Office Equipments	71,05,725	3,89,502	-	74,95,227	57,67,306	7,01,751	-	64,69,057	10,26,170	13,38,419
Vehicles	1,85,09,589	1,27,51,260	30,76,621	2,81,84,228	1,50,76,070	22,40,978	28,54,193	1,44,62,855	1,37,21,373	34,33,519
Electric Fittings & Installations	56,43,860	-	-	56,43,860	23,03,819	8,88,455	-	31,92,274	24,51,586	33,40,041
Computers - Hardware	16,96,236	1,72,253	-	18,68,489	13,65,400	2,14,373	-	15,79,773	2,88,716	3,30,836
Total (A)	**32,59,72,884**	**12,81,49,250**	**30,76,621**	**45,10,45,513**	**16,12,26,113**	**2,88,99,198**	**28,54,193**	**18,72,71,118**	**26,37,74,394**	**16,47,46,771**
Intangible Assets										
Computers - Software	3,46,478	10,03,376	-	13,49,854	30,494	3,45,120	-	3,75,614	9,74,240	3,15,984
Total (B)	**3,46,478**	**10,03,376**	**-**	**13,49,854**	**30,494**	**3,45,120**	**-**	**3,75,614**	**9,74,240**	**3,15,984**
Capital Work in Progress										
Factory Shed and Building	59,42,620	1,48,37,754	94,19,865	1,13,60,509	-	-	-	-	1,13,60,509	59,42,620
Plant & Machinery	56,29,574	2,12,98,038	2,69,27,612	-	-	-	-	-	-	56,29,574
Office Equipments	1,02,188	-	1,02,188	-	-	-	-	-	-	1,02,188
Total (C)	**1,16,74,382**	**3,61,35,792**	**3,64,49,665**	**1,13,60,509**	**-**	**-**	**-**	**-**	**1,13,60,509**	**1,16,74,382**
TOTAL (A+B+C)	33,79,93,744	16,52,88,417	3,95,26,286	46,37,55,876	1,612,56,607	2,92,44,318	28,54,193	18,76,46,732	27,61,09,143	17,67,37,137
Previous Year	34,18,10,137	8,95,01,718	9,33,18,111	33,79,93,744	15,99,33,971	2,84,81,149	2,71,58,513	16,12,56,607	17,67,37,137	18,18,76,166

Note : Out of above Depreciation Rs.1,41,653/- charged during the Year on Fixed Assets by M/s Lepakshi Tubes Pvt. Ltd., our subsidiary in Pre-production phase, has been capitalized to Unamortized Expenses.

Note 13: Non-Current Investment

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Trade Investments(valued at cost)		
a)Unquoted		
Investment in Joint Venture		
M/s Pir Panchal Construction Pvt. Ltd. Joint Venture, Jammu *	2,19,27,525	1,96,99,505
Other Investments		
a) Quoted		
Investment in Equity Shares(At cost less Provision)		
25000 Equity Share of Rs.10/- each in Partap Industries Ltd. issued at Premium of Rs.10/- each (Previous Year 25000 Equity Shares)	5,00,000	5,00,000
60500 Equity Shares of Rs.10/- each in Uttam Value Steels Ltd. (Formerly Lloyd Steel Industries Ltd.) (Previous Year 60500 Equity Shares)	9,28,181	9,28,181
b) Unquoted		
Investment in Equity Shares (At cost less Provision)		
Two Equity Shares of Rs. 100/- each in CIDCO, Mumbai	200	200
Investment Property		
Immovable propert at Jaypee Green,Noida	-	10,04,79,910
Total	**2,33,55,906**	**12,16,07,795**
Aggregate book value of unquoted Investments	2,19,27,525	12,01,79,415
Aggregate book value of quoted Investments	14,28,381	14,28,381
Market Value of quoted Investments	-	-
Aggregate provision for diminuiton in value of Investments	-	-

* The share of Profit of the Company in the above Joint Venture is 25%. The Audited Financial Statements of M/s.Pirpanchal Constructions Pvt Ltd Joint Venture could not be obtained and statement of accounts of the Company has been prepared on the basis of provisional statements of accounts of Joint Venture Company.

Note 14 : Long Term Loans and Advances

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Unsecured, Considered Good:		
Capital Advances	78,68,740	17,48,375
Security Deposit	76,67,580	85,00,959
Other Loans & Advances	90,997	7,88,000
Total	**1,56,27,317**	**1,10,37,334**

Note 15 : Other Non Current Assets

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Long-Term Deposits with Banks with maturity period more than 12 Months*	1,21,60,457	-
Accrued Interest on above FDR's & Securities	6,23,280	-
Unamortised Expenses	26,31,097	-
Total	**1,54,14,834**	**-**

* Held as Lien by Bank against Bank Guarantees

Note 16 : Inventories

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Raw Material	38,67,73,667	18,67,98,762
Raw Material in Transit	4,31,85,447	3,79,30,817
Finished Goods	8,25,43,420	9,05,65,235
Rejection & Scrap	13,43,031	9,23,334
Consumables	5,67,700	5,26,700
Total	**51,44,13,265**	**31,67,44,848**

The closing stock of Finished Goods has been valued inclusive of Excise Duty amounting to Rs.55,26,740/- Previous Year Rs.69,05,243/- as per ASI 14 (Revised) issued by ICAI.

Note 17 : Trade Receivables

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Unsecured, Considered Good :		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	1,25,42,665	1,22,44,637
Trade receivables outstanding for a period less than six months from the date they are due for payment	31,52,91,627	22,31,17,231
Total	**32,78,34,292**	**23,53,61,868**

Note 18 : Cash & Bank Balances

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Cash & Cash Equivalent		
Cash on Hand	16,46,687	35,78,706
Bank Balances		
- Current Accounts	3,08,01,239	96,83,686
- EEFC	28,239	27,237
- Short-Term Deposits with Banks with maturity period upto 12 Months*	4,40,13,681	4,84,68,549
Total	**7,64,89,846**	**6,17,58,178**

* Held as Lien by Bank against Bank Guarantees

Note 19 : Short Terms Loans and Advances

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Advance to Suppliers	1,46,92,734	6,28,53,350
Prepaid Expenses	32,05,216	56,66,498
Balances with Government Authorities	6,51,35,882	6,60,55,065
Total	**8,30,33,833**	**13,45,74,913**

Note 20 : Other Current Assets

(Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Accrued Interest on FDR's & Securities	13,58,719	43,95,028
Other Receivables	2,08,67,584	96,64,583
Total	**2,22,26,303**	**1,40,59,611**

Notes Forming Integral Part of the Statement of Consolidated Profit & Loss for the Year ended March 31, 2017

Note 21: Revenue from Operations

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Sales (Finished Goods) - Domestic	2,23,61,33,177	2,05,80,00,833
Sales (Finished Goods) - Export	29,70,44,166	31,05,43,382
	2,53,31,77,344	2,36,85,44,215
Sales Traded Goods	30,20,10,868	26,53,90,484
Job Work	11,44,770	11,28,441
Export Incentive	79,00,580	49,57,813
Gross Revenue	**2,84,42,33,561**	**2,64,00,20,953**
Less: Excise Duty	24,69,75,980	22,05,31,746
Total	**2,59,72,57,581**	**2,41,94,89,207**

(Amount in ₹)

Detail of sale of Products	Current Year	Previous Year
Manufactured Goods :		
Black Pipe/Tubes	2,05,83,21,156	1,77,17,11,562
GP Pipe/Tubes	39,98,49,985	46,96,38,059
Rejected Pipes /Scrap	7,61,88,041	8,72,97,910
Others	24,26,473	4,20,77,455
Less: Rebate and Discount	(36,08,310)	(21,80,771)
	2,53,31,77,344	2,36,85,44,215
Traded Goods :		
HR Strip/Coil / Steel Products	30,20,10,868	26,53,90,484
	30,20,10,868	26,53,90,484
Total	**2,83,51,88,212**	**2,63,39,34,699**

Note 22 : Other Income

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Interest Earned on FDRs	52,58,151	36,90,851
Commission Earned	35,23,538	-
Profit On Sale of Fixed Assets	2,77,572	4,02,972
Misc. Income	2,53,13,152	1,70,69,685
Foreign Exchange Fluctuation *	40,34,450	96,61,120
Total	**3,84,06,864**	**3,08,24,628**

* The amount includes Rs.5,10,725/- being the loss on account of exchange rate variance as at 31-03-2017 on the outstanding amount of Loan Rs.42,51,535/- to the Wholly owned Subisidiary viz. RST International Trading FZE in Dubai

Note 23 : Cost of Material Consumed

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Raw Materials		
Opening Stock	18,67,98,762	11,45,75,775
Add: Purchase	2,24,37,54,789	1,88,05,13,528
Less: Closing Stock	(42,99,59,114)	(18,67,98,762)
Less: Cost of Raw Material cleared as such	(5,30,10,891)	(4,51,208)
	1,94,75,83,546	**1,80,78,39,333**
Stores and Spares		
Stores & Consumables	1,42,11,966	1,63,38,077
Total	**1,96,17,95,512**	**1,82,41,77,410**

Detail of Raw Material Consumed (Amount in ₹)

Particulars	Current Year	Previous Year
HR Coil	1,80,55,33,932	1,70,55,94,583
Black pipe	7,67,77,638	1,98,73,385
Zinc	6,52,71,976	8,23,71,365
Others	1,42,11,966	1,63,38,077
Total	**1,96,17,95,512**	**1,82,41,77,410**

The above Raw material consumed includes indigenous materials of Rs.190,66,02,450/- and imported material Rs.5,51,73,944/- during the year

Note : 24 Change in Inventories (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Opening Stock		
Finished Goods	9,14,88,569	14,11,85,259
Total (A)	**9,14,88,569**	**14,11,85,259**
Closing Stock		
Finished Goods	8,38,86,451	9,14,88,569
Total (B)	**8,38,86,451**	**9,14,88,569**
Total (B-A)	**76,02,118**	**4,96,96,690**

Note : 25 Employee Benefit Expenses (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Salaries, Wages, Bonus etc.	3,16,42,369	2,89,32,130
Contribution to Provident and other Funds	13,14,084	16,80,508
Staff Welfare Expenses	5,94,699	5,64,544
Gratuity (a)	13,67,327	-
Leave Encashment (b)	-	-
Total	**3,49,18,479**	**3,11,77,182**

Defined Benefit Plan (unfunded)

(a) Gratuity: The Company has a defined benefit gratuity plan which entitles every employee who departs after the completion of 5 or more years of service to a gratuity calculated at fifteen days salary (last drawn salary) for each completed year of service, in accordance with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

(i) Present Value of Defined Benefit Obligation (Amount in ₹)

Particulars	As at 31-March-2017	As at 31-March-2016
Balance at the beginning of the year	37,11,744	44,77,787
Interest cost	2,96,940	3,47,028
Current service cost	5,68,061	3,78,247
Benefits paid	(59,148)	(11,76,106)
Actuarial (gains) / losses on obligation	5,02,326	(3,15,212)
Total	**50,19,923**	**37,11,744**

(ii) Assets and Liabilities recognised in the Balance Sheet **(Amount in ₹)**

Particulars	As at 31-March-2017	As at 31-March-2016
Liability at the end of Year		
Unrecognised past service cost/transition liability	50,19,923	-
Amount Recognised in the Balance Sheet	**50,19,923**	**-**
Recognised Under:		
Long Term Provision (Refer Note 7)	31,60,370	-
Short Term Provision (Refer Note 10)	18,59,553	-
	50,19,923	**-**

(iii) Expense recognised in the Statement of Profit and Loss **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Current service cost	5,68,061	-
Past service cost	-	-
Interest cost	2,96,940	-
Expected Return on Plan Assets	-	-
Net actuarial (gain)/loss recognised in the period	5,02,326	-
Expenses recognised in the Statement of Profit and Loss	**13,67,327**	**-**

(iv) Actuarial assumptions

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Discount Rate per annum	7.75%	8.00%
Salary Escalation rate per annum	6%	6%

The estimate of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

(b) Leave Encashment : The employees are entitled for each year of service and part thereof and subject to the limits specified, the unavailed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

The reconciliation of opening and closing balances of the present vale of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation **(Amount in ₹)**

Particulars	As at 31-March-2017	As at 31-March-2016
Balance at the beginning of the year	3,31,750	3,94,194
Interest cost	26,540	30,550
Current service cost	47,740	56,930
Benefits paid	-	(2,05,475)
Actuarial (gains) / losses on obligation	(1,27,433)	55,551
Balance at the end of the year	**2,78,597**	**3,31,750**

(ii) Assets and Liabilities recognised in the Balance Sheet **(Amount in ₹)**

Particulars	As at 31-March-2017	As at 31-March-2016
Liability at the end of Year		
Unrecognised past service cost/transition liability	2,78,597	3,31,750
Amount Recognised as Liability in the Balance Sheet	**2,78,597**	**3,31,750**
Recognised Under:		
Long Term Provision (Refer Note 7)	2,28,679	2,64,329
Short Term Provision (Refer Note 10)	49,918	67,421
	2,78,597	**3,31,750**

(iii) Expense recognised in the Statement of Profit and Loss **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Current service cost	47,740	-
Past service cost	-	-
Interest cost	26,540	-
Expected Return on Plan Assets	-	-
Net actuarial (gain)/loss recognised in the period	(1,27,433)	-
Expenses recognised in the Statement of Profit and Loss	**(53,153)**	**-**

(iv) Economic assumptions

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Discount Rate per annum	7.37%	8.00%
Salary Escalation rate per annum	6.00%	6.00%
Retirement Age	58 Years	58 Years
Mortality Table	IALM [2006-2008]	IALM [2006-2008]
Employee Turnover/Attrition Rate		
18 to 30 Years	3%	3%
30 to 45 Years	2%	2%
Above 45 Years	1%	1%

Note 26 : Finance Cost **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Interest Expense	6,84,78,986	5,48,86,166
Other Borrowing Cost	77,39,714	69,52,948
Total	**7,62,18,700**	**6,18,39,115**

Note 27 : Depreciation **(Amount in ₹)**

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Depreciation	2,91,02,665	2,84,81,149
Total	**2,91,02,665**	**2,84,81,149**

Note 28: Other Expenses (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Job Work Charges	23,45,467	18,81,861
Power & Fuel Expenses	3,90,61,829	4,25,43,931
Repair & Maintenance :-		
Building	20,65,456	29,14,184
Plant & Machinery	29,28,974	46,64,004
Rent	28,07,838	31,34,387
Printing & Stationery	6,74,528	4,34,691
Postage & Telephone	18,86,475	17,83,837
Vehicle Running Expenses	13,19,815	11,81,290
Fees & Taxes	29,44,196	25,07,109
Travelling Expenses:		
Directors	30,62,282	23,12,558
Others	44,39,996	43,27,787
Legal & Professional Charges	49,74,178	22,68,831
Loss on sale of Fixed Assets	4,71,053	-
Corporate Responsibility Expenses	7,57,500	-
Miscellaneous Expenses	2,87,517	5,75,613
Auditor's Remuneration	2,00,000	1,00,000
Insurance	6,07,266	6,31,340
Key-man Insurance	3,57,778	6,90,822
Office Expenses	5,14,307	9,28,166
Advertisement Expenses	3,26,985	3,23,853
Commission	66,92,639	9,298,202
Freight Outward	2,53,28,710	3,30,07,912
Sales Promotion	24,55,729	36,96,460
Additional Demand Excise Duty, Service Tax & Sales Tax	7,58,687	7,77,252
Bad Debt	20,35,667	-
Other Selling Expenes	12,47,177	3,22,486
Total	**11,05,52,050**	**12,03,06,577**

Note 29 : Exceptional & Prior Period Items (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Gratuity	37,11,744	-
Leave Encashment	2,78,597	-
Total	**39,90,341**	**-**

Note 30 : Auditor's Renumeration

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Statutory Audit	2,17,500	80,000
Tax Audit	40,000	20,000
Other Audit services/certification	14,040	-
Reimbursement of expenses	-	-
Total	**2,71,540**	**1,00,000**

Note 31: Leases

The Company has taken various commercial premises under cancellable operating leases. The rental expense for the current year, in respect of operating leases was ₹ 1,800,000.
The future minimum lease payments in respect of such leases are as follows:

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Within 1 year	9,00,000	9,00,000
After 1 year and not more than 5 years	-	-
Total	**9,00,000**	**9,00,000**

Note 32 : Contingent Liabilities

(Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
(a) Disputed claims / levies in respect of		
- Value Added Tax	-	-
- Excise Duty	-	-
- Service tax	-	-
(b) Bank Guarantees given on behalf of the company to Suppliers/Govt Authorities	20,57,44,159	21,06,52,411
(C) Outstanding Commitments under Letters of Credit	11,07,82,777	13,82,45,932

Note 33 : Related Party Disclosures

Related party disclosures, as required by AS18, "Related Party Disclosures", are given below:

Related Parties:

(a) Key Management Personnel:

(i) Board of Directors: (From 01.04.2016 to 31.03.2017)

Mr. Naresh Kumar Bansal
Mr. Richi Bansal
Mr. Bharat Bhushan Sahny

(ii) Relatives of Key Management Personnel:

Ms. Kumud Bansal
Mr. Nikhil Bansal

(b) Companies in which Key Managerial Personnel or their relatives have control/significant influence:

M/s Advance Hightech Agro Products Pvt. Ltd.
M/s Ravi Developers Pvt. Ltd.
M/s Pir Panchal Construction Pvt. Ltd. Joint Venture

III. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in I & II above:

(Amount in ₹)

	Parties mentioned in 33 (II) (a) above		Parties mentioned in 33 (II) (b) above	
Particulars	**Year Ended 31-03-2017**	**Year Ended 31-03-2016**	**Year Ended 31-03-2017**	**Year Ended 31-03-2016**
Remuneration Paid	51,68,870	41,65,000	-	-
Interest Paid	41,54,298	14,30,595	3,11,960	3,77,830
Rent Paid	18,00,000	19,66,720	-	-
Amount Recd. on sale of property	10,15,20,813	-	-	-
Amount due to Related Parties	5,78,96,443	2,72,81,675	54,29,613	54,33,849
Amount due from Related Parties	-	-	2,19,27,525	1,96,99,505

Note 34 : CIF Value of Imports

(Amount in ₹)

Particulars	**Year Ended 31-03-2017**	**Year Ended 31-03-2016**
Raw Materials	5,51,73,944	20,39,85,095

Note 35 : Disclosure as per Schedule III of Companies Act, 2013
Details of Specified Bank Notes held and transacted during the period 08 Nov., 2016 to 30 Dec., 2016.

(Amount in ₹)

Particulars	**SBNs**	**Other denomination notes**	**Total**
Closing cash in hand as on 08.11.2016	26,19,500	8,19,147	34,38,647
(+) Permitted Receipts	65,000	7,55,000	8,20,000
(-) Permitted Payments	17,34,500	8,29,940	25,64,440
(-) Amount deposited in Banks	9,50,000	-	9,50,000
Closing cash in hand as on 30.12.2016	**-**	**7,44,207**	**7,44,207**

Note 36 : Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	**Year Ended 31-03-2017**	**Year Ended 31-03-2016**
The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006	-	-
Total	**-**	**-**

Note 37 : Expenditure in Foreign Currency (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Commission for Sales	3,04,973	12,73,470
Travelling	13,85,435	15,54,233
Business Promotion	51,16,318	2,00,932
Total	**68,06,726**	**30,28,635**

Note 38 : Earnings in Foreign Currency (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
FOB Value of Exports	29,70,44,166	31,05,43,382
Total	**29,70,44,166**	**31,05,43,382**

Note 39: CSR Expenses

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the company. The areas for CSR activities are of Skill Development and Vocation based education, Livelihood enhancement, Waste Management and Sanitation, Environmental sustainability, Women and Youth empowerment, Disaster Relief, National Missions projects which are specified in Schedule VII of the Companies Act, 2013.

The Company is in the process of formalising the Scheme for CSR expense and has created a provision of ₹ 752,000 during the year.

Note 40 : Earning per share (Amount in ₹)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Net profit after tax attributable to shareholders	9,06,47,943	6,02,32,761
Weighted average number of equity shares outstanding during the year	1,49,43,041	1,49,34,000
Nominal value per share	5.00	5.00
Basic earning per share	6.07	4.03
Diluted earning per share	6.07	4.03

Note 41: Additional Information required as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share of profit or Loss	
	As % of Consolidated Net Assets	Amount in ₹	As % of Consolidated Net Assets	Amount in ₹
Parent				
Rama Steel Tubes Limited	95.69	50,46,51,749	89.11	11,32,48,709
Subsidiaries				
Foreign				
-RST International Trading FZE	4.31	2,27,45,736	10.89	1,38,43,723
Indian				
-Lepakshi Tubes Pvt. Ltd.	-	-	-	-
Total	**100.00**	**52,73,97,485**	**100.00**	**12,70,92,432**

Note 42 : Previous Year's Figures

Previous Year's Figures have been recasted /regrouped where consider necessary to conform with the current year's presentation

For VAPS & Company
Chartered Accountants
ICAI Firm Reg. No.: 003612N

For and On Behalf of the Board

Sd/-
Praveen Kumar Jain
Partner
Membership No. : 082515

Sd/-
Naresh Kumar Bansal
(Managing Director)

Sd/-
Richi Bansal
(Director)

Place : New Delhi
Date : 27-05-2017

Sd/-
Rajkumar Malik
(Chief Finacial Officer)

Sd/-
Kapil Datta
(Company Secretary)

Form No. AOC-1
Statement containing salient features of the financial statements of subsidiaries

Particulars	As at 31-03-2017	
Name of the Subsidiary	Lepakshi Tubes Pvt. Ltd.	RST International Trading FZE
Reporting Period	Year Ended 31-03-2017	Year Ended 31-03-2017
Share Capital	1,00,000	90,20,000
Reserve & Surplus	--	2,27,45,736
Total Assets	4,70,33,021	4,51,61,726
Total Liabilities	4,70,33,021	4,51,61,726
Investments	--	--
Turnover	--	24,84,97,516
Profit / (Loss) before Taxation	-	1,38,43,723
Provision for Taxation	--	--
Profit / (Loss) after Taxation	--	1,38,43,723
Proposed Dividend	--	--
% of Shareholding	100%	100%

NOTICE

Notice is hereby given that the 43rd Annual General Meeting of the members of Rama Steel Tubes Limited will be held on Friday, the 29th day of September, 2017 at 4.00 p.m. at Aura Grand Residency, 439, Jagriti Enclave, Near Karkardooma Metro Station, Delhi-110092, to transact the following business:-

ORDINARY BUSINESS

Item no. 1 – Adoption of financial statements

To consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2017, the reports of the Board of Directors and Auditors thereon.

Item no. 2 – Appointment of Director in place of those retire by rotation

To appoint a Director in place of Mr. Richi Bansal, who retires by rotation and being eligible, offers himself for re-appointment.

Item no. 3 – Appointment of Statutory Auditors

To ratify appointment of Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:-

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. VAPS & COMPANY, Chartered Accountants (Registration No. 003612N), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2018 and the Board of Directors/ Audit Committee of the Company be and is hereby authorised to fix their remuneration."

SPECIAL BUSINESS

Item no. 4 – Approval of remuneration of the Cost Auditors for the financial year ending March 31, 2018

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"Resolved that, pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

Notes:

1. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. 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 himself 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.
3. The Register of Members and Transfer Books of the Company will be closed from Wednesday, September 27, 2017 to Friday, September 29, 2017.

4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
6. Information and other instructions relating to e-voting are as under :
   i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (LODR) Regulation 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
   ii. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
   iii. The Board of Directors of the Company has appointed Mr. Vipin Aggarwal, a Practicing Chartered Accountant, Partner, VAPS & Company, New Delhi as Scrutinizer to scrutinize the Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
   iv. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 22, 2017.
   v. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 22, 2017 only shall be entitled to avail the facility of remote e-voting / Poll.
   vi. The e-voting period commences on Tuesday, 26th September, 2017 (9.00 a.m. IST) and ends on Thursday, 28th September, 2017 (5.00 p.m. IST). During this period, Members may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on September 22, 2017 i.e. the cut-off date.
   vii. The instructions and other information for e-voting are as under:

   A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/Depository Participants)

   a) Open email and open PDF file with your Client ID or Folio No. as password. The PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting then you can use your existing password for casting the vote. If you have forgot your password, you can reset your password by using "Forget User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
   b) Launch internet browser by typing the following URL: https://www.evoting.nsdl.com/
   c) Click on "Shareholder – Login".
   d) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
   e) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
   f) Home page of "e-voting" opens. Click on e-Voting: Active Voting Cycles.
   g) Select "EVEN" of "Rama Steel Tubes Limited".
   h) Now you are ready for e-voting as "Cast Vote" page opens.
   i) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
   j) Upon confirmation, the message "Vote cast successfully" will be displayed.
   k) Once you have voted on the resolution, you will not be allowed to change /modify your vote.
   l) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to vipin_1960@hotmail.com with a copy marked to evoting@nsdl.co.in

   B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/Depository Participants or requesting physical copy):

   a) Initial Password is provided at the bottom of the Attendance Slip for the AGM

      USER ID

      PASSWORD:
   b) Please follow all steps from pt. (a) to pt. (l) above, to cast vote.

viii. In case of any queries, you may refer the Frequently Asked Question (FAQs) for Members and remote e-voting user manual for members available at the downloads selection of www.evoting.nsdl.com or call on toll free no.: 1800-222-990

ix. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

x. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 22, 2017, may obtain the login ID and password by sending a request referring the Company name (i.e., Rama Steel Tubes Limited) along with the DP and Client ID Particulars to evoting@nsdl.co.in

xi. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall be placed on the website of the Company.

By order of the Board of Directors

Sd/-
NARESH KUMAR BANSAL
Chairman & Managing Director

Date: August 14, 2017
Place : New Delhi

Explanatory Statement
(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item no. 4 of the accompanying Notice:

Item no. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year ending March 31, 2018 as per the following details:

Sr. No.	Name of the Cost Auditor	Financial Year	Audit Fees
1	M/s S. Shekhar & Company	2017-18	₹ 40,000/-

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

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

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

By order of the Board of Directors

Sd/-
NARESH KUMAR BANSAL
Chairman & Managing Director

Date: August 14, 2017
Place : New Delhi

Details of Directors seeking appointment/ re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (LODR) Regulation 2015)

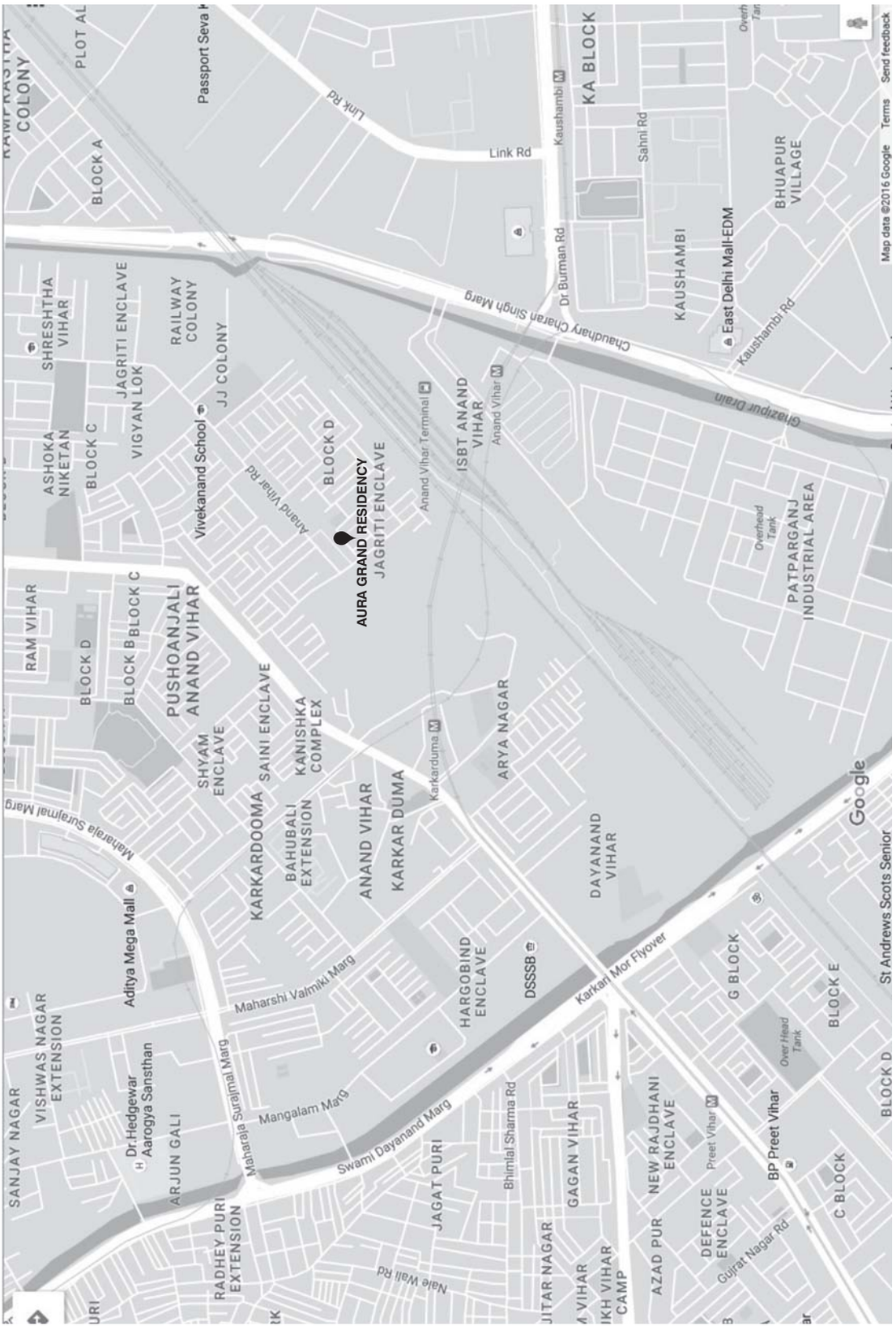
Mr. Richi Bansal, aged 38 years, is the Director of the company and is highly motivated and ambitious person. He did B. Sc (Hons.) in Management from Bradford University, U.K. and did his internship from a reputed company called BIE (Marketing & Advertising). He is thoroughly professional in approach and is overseeing the marketing department of the Company and is instrumental in taking the products of the Company to overseas markets. He is exploring new avenues to augment the turnover of the company. The Company expects its turnover to expand manifold under his able guidance and leadership.

Directorships held in other public company: NIL

Memberships/Chairmanship of committees of other public company: NIL

Number of Shares held in the Company: 1443000 Equity Shares of Rs.5/- each

ROUTE MAP OF THE VENUE FOR ANNUAL GENERAL MEETING



43rd Annual General Meeting Venue:

Aura Grand Residency
439, Jagriti Enclave, Near Karkardooma
Metro Station, Delhi- 110092

RAMA STEEL TUBES LIMITED

CIN: L27201DL1974PLC007114

Regd. Office: No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi-110 092.

ATTENDANCE SLIP

43rd Annual General Meeting

Regd. Folio/DP & Client ID No.: …….. No. of Shares Held: ……..

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 43rd Annual General Meeting of the Company at Aura Grand Residency, 439, Jagriti Enclave, Near Karkardooma Metro Station, Delhi-110092 on Friday, September 29, 2017 at 4.00 p.m.

Member's Name : ……..

Proxy's Name : …….....

…….
Member's/Proxy's Signature

Note : N. Please fill this attendance slip and hand over at the entrance of the meeting hall.
2. Members/Proxy Holders/Authorized Representative are requested to show their Photo ID Proof for attending the meeting.

RAMA STEEL TUBES LIMITED

Regd. Office: No. 7, 1st Floor, Surya Niketan, Vikas Marg, New Delhi-110 092.

PROXY FORM

[Pursuant to section 105(6) of the 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 :	

I/We, being member(s) holding……shares of the above named company, hereby appoint

1. Name :……Address……

……. ……Email ID : …… Signature :……or failing him

2. Name :……Address……

……. Email ID : …… Signature :……or failing him

3. Name :……Address……

……. ……Email ID: …… Signature :……...as my/ourproxy to attend and vote (on poll) for me/us and on my/our behalf at the 43rd Annual General Meeting of the Company to be held on Friday, September 29, 2017 at 4:00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below :

S.No.	Resolutions	Optional	
	ORDINARY BUSINESS	**For**	**Against**
1.	Adoption of financial statements		
2.	Appointment of Director in place of those retire by rotation		
3.	Appointment of Statutory Auditors		
	SPECIAL BUSINESS		
4.	Approval of remuneration of the Cost Auditors for the financial year ending March 31, 2018		

Signed this ……...day of ……2017

Signature of the Proxy holder(s)

Signature of the shareholder

Affix revenue stamp of Re. 1

Note: 1. 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.

Disclaimer :

This Annual Report contains 'forward-looking Statements' that are based on our current expectations, estimates, andprojections about the Company, Our industry, economic conditions in the markets in we operate, and certain other matters, Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as 'anticipate', believe', 'expect', 'will', 'project', 'seek', 'should', and similar expressions. Those statements include, among other things, the discussions of our business strategy and expectations concerning our market position, future operations, margins, profitability, liquidity and capital resources. These statements are subjects to know risks, uncertainties and other factors, which may cause actual result or out comes to differ materially from those implied by the forward-looking statements. Important factors that may cause actual results of outcomes to differ from those implied by the forward-looking statements include, but are not limited to, those discussed in the 'Outlook, risk and concerns' section in this Annual Report. In light of these and other uncertainties, you should not conclude that the results or outcomes referred to in any of the forward-looking statements will be achieved. All forward-looking statements included in this Annual Report are based on information available to us on the date hereof, and we do not undertake to update these forward-looking statements to reflects futures events or circumstances unless required to do so by law.

RAMA

Rama Steel Tubes Ltd.

CIN: L27201DL1974PLC007114

Regd. Off. : No. 7, 1st Floor, Surya Niketan,
Vikas Marg, New Delhi-110 092.

www.ramasteel.com

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