

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

BOARD OF DIRECTORS:

SHRI HARISH CHAND JAIN (CHAIRMAN & MANAGING DIRECTOR)
SMT RAJSHREE PATNI (DIRECTOR)
SHRI SUNIL KUMAR JAIN (INDEPENDENT DIRECTOR)
SHRI DEEPESH JAIN (INDEPENDENT DIRECTOR)
SHRI MAHENDRA KUMAR JAIN (INDEPENDENT DIRECTOR)
SHRI PRADEEP JAIN (CHIEF FINANCIAL OFFICER)

AUDITORS:

PRAMOD & ASSOCIATES
CHARTERED ACCOUNTANTS
JAIPUR

CORPORATE ADVISOR

MEGHA KHANDELWAL & ASSOCIATES
COMPANY SECRETARY
Jaipur

COMPANY SECRETARY

KOMAL BEHL
JAIPUR

BANKERS:

STATE BANK OF BIKANER & JAIPUR

SHARE TRANSFER AGENT

BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.,
BEETAL HOUSE, 3rd FLOOR,
99, MADANGIR,
BEHIND LOCAL SHOPPING CENTRE,
NEAR DADA HARSUKH DAS MANDIR,
NEW DELHI-110 062

REGISTERED OFFICE:

404, SHEKHAWATI COMPLEX,
STATION ROAD, JAIPUR

E-MAIL ID FOR INVESTORS GRIEVANCE

(1) scores@beetalfinancial.com
(2) rajtube@hotmail.com

WORKS:

28-37, BANKE BIHARI INDUSTRIAL AREA,
JATAWALI MOD, MAHARKALA ROAD, DEHRA
TEH: CHOMU, DIST: JAIPUR
RAJASTHAN-303806

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTICE

Notice is hereby given that Thirtieth Annual General Meeting of the members of RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED will be held at ANOKHA GAON, Near Road No. 14, Vishwakarma Industrial Area, Sikar Road, Jaipur on Saturday, the 24th September, 2016 at 10.00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Rajshree Patni (DIN 06934858), who retires by rotation and, being eligible, seeks re-appointment.
3. To appoint auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of 35th Annual General Meeting and to fix their remuneration, and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and modifications thereon and pursuant to the recommendation made by the Audit Committee of the Board, M/s Giriraj and Lohiya having registration No. 006031C be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors M/s Pramod and Associates, Chartered Accountants, having registration No.001557C, who have completed their term of more than 10 years as required under Companies Act, 2013 and the new auditors shall hold office from the conclusion of this Annual General Meeting, until the conclusion of sixth Annual General Meeting to be held after this meeting, subject to ratification of the appointment by the members at every Annual General Meeting and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

SPECIAL BUSINESS:

4. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), M/s. G.K. Gupta & Company, (Firm Registration No. 100205), Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year ending March 31, 2017, be paid the remuneration amounting to 18000/- (Rupees Eighteen Thousand Only) excluding out of pocket expenses if any;

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Company Secretary, be and are hereby severally authorized to take all steps and do all such acts, matters, deeds and things and give such directions as may be required, necessary, expedient or desirable for giving effect to the aforesaid resolution, and also further to comply with the requirements, if any, under the Companies Act, 2013.”

By Order of the Board of Directors

July 30, 2016

Registered Office:

404, Shekhawati Complex,

Station Road,

JAIPUR

Ph No.- 0141-2372734

CIN: L27107RJ1985PLC003370

(Komal Behl)

Company Secretary

(Membership No.A35516)

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the company. The proxy form duly completed and stamp must reach the Registered Office of the company at 404, Shekhawati Complex, Station Road, Jaipur not less than 48 hours before the time of holding the aforesaid meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder as per Section 105 of Companies Act, 2013.
2. Shareholders are requested to inform the company immediately of any change in their address.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual report, Notices, Circulars, etc from the Company electronically.
6. The Register of Members and Share Transfer Books of the company will remain closed from 22nd September, 2016 to 24th September, 2016 (both dates inclusive).
7. Members are requested to quote their folio number in all their correspondence.
8. Members are requested to bring their copies of Annual Report to the meeting.
9. The shareholders desiring any information as regards accounts are required to write to the Company at an early date so as to enable the Management to keep information ready.
10. Members are requested to bring with them the attendance slip and hand it over at entrance duly signed by them.
11. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
12. Copies of the Annual Report 2015-2016 along with Notice of the 30th AGM, instructions for e-voting, Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email address are registered with the Company/ Depository Participant (s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
13. Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting in pursuance of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meeting issued by Institute of Company Secretaries of India.

Particulars	Mrs. Rajshree Patni
DIN	06934858
Date of Birth	28/03/1987
Date of Appointment	27/09/2014

Qualifications	Graduate
Experience in specific functional areas	She holds experience of around 2 years in the company
Directorship held in other listed entities	Nil
Memberships in the Committees of Board of other listed Companies	Nil
Membership and Chairmanship in the Committees of the Board of the Company	Nil
No. of shares held in the Company as on 30.06.2016	169661
Relationship with any Director(s)	Mr. Harish Chand Jain
Terms and conditions of reappointment	Occupies the position of Executive Director and liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible offers herself for re-appointment.
Details of last drawn remuneration	Nil

14. **E-VOTING**

The provisions of the Companies Act, 2013 and Listing Agreement requires, a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings. The complete detail of the instruction for the e-voting is annexed to this notice.

EXPLANATORY STATEMENT

As required by the provisions of Section 102 of the Companies Act 2013, (hereinafter referred to as "the Act") the following Explanatory Statement set out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice dated 30th July, 2016.

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/S. G.K. Gupta & Company, the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders 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, 2017.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

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

By Order of the Board of Directors

July 30, 2016

Registered Office:

404, Shekhawati Complex, Station Road,

JAIPUR

Ph No.- 0141-2372734

CIN: L27107RJ1985PLC003370

(Komal Behl)

Company Secretary

M.No.A35516

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 30th Annual Report on the businesses and operations of your company together with audited statement of accounts for the year ended on 31st March, 2016.

1. FINANCIAL RESULTS:

	For the year ended on 31.3.2016 (Rs. in Lacs)	For the year ended on 31.3.2015 (Rs. in Lacs)
Total Sales & Other Income	8094.78	9234.30
Profit Before Interest & Depreciation	167.21	41.10
Interest	237.52	244.94
Profit/(Loss) Before Depreciation	(70.31)	(203.84)
Depreciation	16.98	25.15
Profit/ (Net Loss) before Taxation	(87.29)	(228.99)
Provision for Taxation	-	-
Deferred Tax (Net)	(110.30)	(2.55)
Profit/ (Net Loss) after Taxation	23.01	(226.44)
Bal brought forward from previous year	227.55	455.41
Profit available for appropriation	250.56	228.97
Adjustment related to Fixed Asset	-	1.42
Balance carried to Balance Sheet	250.56	227.55

2. DIVIDEND:

Your Directors are unable to recommend any dividend during the year under review in view of insufficient profits.

3. RESERVES:

In view of the insufficient profits, your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

4. STATE OF COMPANY'S AFFAIR:

During the year under review, the sales and other income during the year decreased to Rs.8094.00 Lacs as compared to Rs. 9234.30 Lacs in the previous year. The profit after tax during the year is Rs. 23.01 lacs as compared to a loss of Rs.226.44 lacs in the previous year.

5. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business in the year under review.

6. MATERIAL CHANGES & COMMITMENTS:

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the company.

7. ORDERS :

No significant or material orders were passed by the Regulators or courts or tribunals which impact the going concern status and company's operation in future.

8. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has an Internal Control System commensurate with the size, scale complexity of its operations. The company has formulated Internal Financial Control policy according to Sec 134(5) (e) of the Companies Act, 2013.

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

9. DETAILS / FINANCIAL POSITION OF SUBSIDIARY / JOINT VENTURE/ ASSOCIATE COMPANY:

The company does not have any subsidiary/ associate or Joint Venture.

10. DEPOSITS :

The Company has not accepted any fixed deposit under Chapter V of the Companies Act, 2013 during the year under report.

11. STATUTORY AUDITORS :

The term of office of M/s. Pramod & Associates, as Statutory Auditors of the Company will expire with the conclusion of forthcoming Annual General Meeting of the Company. M/s. Pramod & Associates has been Statutory Auditors of your Company for more than ten years.

The Board of Directors of the Company has, subject to approval of the Members, decided to make a change in the Statutory Auditors. This change is in order to remain at the forefront of good governance and in recognition of regulatory changes in India.

A resolution proposing appointment of M/s. Giriraj & Lohiya as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the Notice.

M/s. Pramod & Associates, over many years, have successfully met the challenge that the size and scale of the Company's operations pose for auditors and have maintained the highest level of governance, rigour and quality in their audit. The Board place on record its appreciation for the services rendered by M/s. Pramod & Associates as the Statutory Auditors of the Company.

12. AUDITORS' REPORT :

The observations of the Auditors have been suitably dealt within the notes on accounts. The Auditor's Report does not contain any qualification, reservation or adverse remark.

13. COST AUDITOR

M/s G.K. Gupta & Co., Cost Accountants, were appointed as the Cost Auditors of the company for the Financial Year 2015-16 and the audit report will be considered by the Board of Directors.

The Board of Directors in their meeting held on 30th May, 2016, have approved the appointment of M/s G.K. Gupta & Co., Cost Accountants as the Cost Auditors of the company for the Financial Year 2016-17 and also fixed the audit fee payable to them. As per the provisions of Section 148 of Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 audit fee payable to the Cost Auditors is to be ratified by the members of the company. Your Directors have proposed a resolution in the notice annexed to this report for approval of the audit fee.

14. SHARE CAPITAL:

The paid up equity share capital as on 31st March 2016 was 44998500. During the year under review, the company has neither issued shares with differential voting rights, nor granted stock options and sweat equity. As on March 31, 2016, none of the Directors of the company hold any convertible instruments of the company.

15. EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the company as provided under section 92(3) Companies Act, 2013 is annexed herewith as **Annexure I** in the prescribed Form MGT-9 to this Report.

16. PARTICULARS OF ENERGY CONSUMPTION ETC:

- a) CONSERVATION OF ENERGY: The information pursuant to sub-section 3(m) of section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is either nil or not applicable. However, the company is conscious about its responsibility to conserve energy, power and other energy resources wherever applicable.
- b) TECHNOLOGY ABSORPTION: Your Company has not imported any technology in the year under review.
- c) FOREIGN EXCHANGE EARNING & OUTGO: There was no inflow and outflow of Foreign Exchange during the year.

17. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of CSR are not applicable to the company for the Financial Year 2015-2016 as the company does not fall under the provisions of Section 135 of the Companies Act, 2013.

18. DIRECTORS:

- a) In accordance with the provisions of the Act and the Articles of Association of the Company, Smt Rajshree Patni, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offer herself for re-appointment.
- b) The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c) 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 Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting and Nomination and Remuneration meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

19. NO. OF BOARD MEETINGS:

Six meetings of the Board of Directors were held during the year. Apart from this one meeting of Independent Directors was also held during the year.

20. AUDIT COMMITTEE:

The Audit Committee comprises Independent Directors namely Shri Sunil Kumar Jain (Chairman), Shri Deepesh Jain and Shri Mahendra Kumar Jain as other members. All the recommendations made by the Audit Committee were accepted by the Board.

21. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The company has a vigil mechanism policy to deal with instance of fraud and mismanagement, if any. The detail of the policy is posted on the website of the company.

22. NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprises Independent Directors namely Shri Deepesh Jain (Chairman), Shri Sunil Kumar Jain and Shri Mahendra Kumar Jain as other members.

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

There is no outstanding loan & guarantee at the year end as prescribed under section 186 of the Companies Act, 2013. The company has not made any investment during the year as prescribed under section 186 of the Companies Act, 2013.

24. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

The Board of Directors of the Company, as per the provisions of Regulation 23 of the Listing Regulations, has formulated a policy on Material Related Party Transactions. The said policy is available on the website of the Company www.rajtube.com. During the year, there have been no materially significant related party transactions undertaken by the Company under Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations that may have potential conflict with the interest of the Company at large. Form No. AOC-2 which forms part of the Board's Report is annexed herewith as **Annexure - II**.

Also, Refer note no. 36 of the financial statements as at 31st March, 2016 which forms part of this Annual Report for details of related party transactions.

25. MANAGERIAL REMUNERATION/PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

EXECUTIVE DIRECTORS	RATIO TO MEDIAN REMUNERATION
Mr. Harish Chand Jain	3.87
Mrs. Rajshree Patni	-

Non- executive directors and Mrs. Rajshree Patni are only being paid sitting fees. They do not draw any remuneration.

- b. The remuneration of any of the directors/CFO/CS did not increase in the relevant financial year.
c. The percentage increase in the median remuneration of employees in the Financial Year:

Median Remuneration at the end of F.Y. 2014-2015	Median Remuneration at the end of F.Y. 2015-2016	% increase in the median remuneration of employees
160000	192000	20%

*While calculating median remuneration, remuneration of only those employees is considered who were in employment for the complete financial year 2015-2016.

- d. The number of permanent employees on the roll of the company at the end of the relevant financial year: 30
e. There is no increase in the remuneration of employees or managerial personnel, hence comparison is not made.
f. There is no variable component of remuneration availed by directors in the relevant financial year.
g. The company affirms the remuneration is as per the remuneration policy of the company.
h. The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

26. SECRETARIAL AUDIT REPORT:

As per the requirement of Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, the Company has obtained a Certificate from Ms. MEGHA KHANDELWAL, Company Secretary in Whole time Practice, Confirming that the Company has complied with the provisions of the Companies Act, 2013 in the Financial Year 2015-2016 and a copy of the Secretarial Audit Report is annexed to this Report as **Annexure- III**.

27. CORPORATE GOVERNANCE:

The company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirement as set out by SEBI. As regards to the Corporate Governance Report as specified in Para C of Schedule V of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015, the same is not applicable to the Company as the equity share capital of the company is less than Rs. 10 crore and net worth is less than Rs. 25 crore.

28. RISK MANAGEMENT POLICY:

Pursuant to the requirement of Companies Act, 2013 and of listing regulations, the company has a robust Enterprise Risk Management framework to identify, evaluate business risk & opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level.

29. DIRECTORS' RESPONSIBILITY STATEMENT:

In 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) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profits of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

30. MANAGEMENT DISCUSSION & ANYLYSIS REPORT:

a) INDUSTRY STRUCTURE & DEVELOPMENT:

Activities of your company come under the category of steel tube industry. With the increased activity in housing and agriculture, the future of the steel tube industry shall continue to remain encouraging.

b) OPPORTUNITIES, THREATS RISK & CONCERNS:

Presently major requirements of pipes in Rajasthan are being met through units situated outside Rajasthan. The pipes manufactured by the company would be able to compete effectively in the market as they would have a clear price advantage over the other outside suppliers because of lower transportation cost benefits applicable to the company.

The company's product shall enjoy 4% price preference and 80% purchase preference in all Govt. & semi Govt. organizations of Rajasthan Govt. Steel Tube and pipe industry is expected to show good prospects in view of increased availability of H.R. Coils being basic raw material to manufacture M.S. Steel Tube.

More units with similar facility may come up resulting in greater competition and lower price realization.

Changed state Govt. policies may affect the profitability of the company.

The steel tube industry is subject to market cycle and as constituent of the industry, your company is also exposed to these constituent. Rise in price of H.R. Coils, Zinc are also a matter of concern.

c) **SEGMENT:**

The operations of the company are covered in one segment only i.e. steel tube segment.

d) **OUTLOOK:**

Having regards to the prevailing circumstances your company visualizes a hopeful growth in the industry.

e) **INTERNAL CONTROL SYSTEM :**

Your company maintains an internal control system in different areas like purchases, billing for the jobs etc. Moreover there are internal auditors who make consistent monitoring to have proper and sufficient care for maintenance of adequate accounting records required for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

f) **DEVELOPMENT: HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT :**

Your Board has nothing to report on the development in human resource as well industrial relations front which have a material bearing on the business of the company.

g) **DISCLOSURE BY THE MANAGEMENT:**

Your board has not received any disclosure by the management relating to any material, financial and commercial transactions where any of the managerial staff has personal interest that may have a potential conflict with the interest of the company at large.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

31. ACKNOWLEDGEMENTS :

Your Directors are grateful to the Government authorities, financial institutions, bankers, business constituents for their continued co-operation and timely support to the company.

Your Directors also express their deep appreciation for the devoted services by workers, staff and executives at all levels of operations in achieving the results for the year.

Industrial relations continued to remain happy and cordial.

Registered office:

For and on Behalf of the Board

404, Shekhawati Complex,

Station Road, JAIPUR

Dated: 30th July, 2016

(RAJSHREE PATNI)

(DIRECTOR)

DIN NO.:06934858

(HARISH CHAND JAIN)

CHAIRMAN & MANAGING DIRECTOR

DIN NO.: 01504391

CEO / CFO CERTIFICATE

To,
The Board of Directors
Rajasthan Tube Manufacturing Company Limited

1. We have reviewed financial statements and the cash flow statement of Rajasthan Tube Manufacturing Company Limited for the year ended 31st March, 2016 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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.
2. 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.
3. 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.
4. We have indicated to the Auditors and the Audit Committee:
 - i. that there are no significant changes in internal control over financial reporting during the year;
 - ii. that there are no significant changes in accounting policies during the year; and
 - iii. that there are no instances of significant fraud of which we have become aware.

Registered office:
404, Shekhawati Complex,
Station Road, JAIPUR

Dated : 30th May, 2016

PRADEEP JAIN
(CHIEF FINANCIAL OFFICER)

(HARISH CHAND JAIN)
CHAIRMAN &
MANAGING DIRECTOR
DIN NO.:01504391

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted a code of conduct for the Board of Directors and Senior Management of the Company. The same is available on web-site of the Company www.rajtube.com

As Managing Director of Rajasthan Tube Manufacturing Company Limited and as required by Schedule V (D) of the Listing Regulations of the Stock Exchange in India, I hereby declare that all the Board Members and Senior Management personnel of the company have affirmed compliance with the code of conduct for financial year 2015-2016.

Registered office :
404, Shekhawati Complex,
Station Road, JAIPUR

Dated : 30th May, 2016

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN NO.:01504391

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Rajasthan Tube Mfg. Co. Ltd.

We have examined the compliance of conditions of corporate governance by Rajasthan Tube Mfg. Co. Ltd., for the year ended on March 31, 2016, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of management. Our examination was limited to the procedures and implementation thereof, adopted by the company to ensure compliance with the conditions of 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 provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with the stock exchanges.

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 PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

Jaipur
Dated : 30th May, 2016

(ANKITA JAIN)
Partner
(Membership No.423734)

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L27107RJ1985PLC003370
REGISTRATION DATE	29/07/1985
NAME OF THE COMPANY	RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
CATEGORY/SUB-CATEGORY OF THE COMPANY	PUBLIC COMPANY/LIMITED BY SHARES
ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS	404, SHEKHAWATI COMPLEX, STATION ROAD, JAIPUR TEL-0141-2372734 EMAIL: RAJTUBE@HOTMAIL.COM
LISTED COMPANY (YES/NO)	YES
NAME, ADDRESS AND CONTACT DETAILS OF REGISTRAR AND TRANSFER AGENT	BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD. BEETAL HOUSE, 3 RD FLOOR, 99 MADANGIR, BEHIND LOCAL SHOPPING CENTRE, NEAR DADA HARSUKH DAS MANDIR, NEW DELHI-110062 Tel No. 91-11-2996 1281-83 Fax- 91-11-2996 1284

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	ERW Steel Tube Pipes	99611925	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- NIL**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

i) Category-wise Share Holding

h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non- Institio ns									
a) Bodies Corp.									
i) Indian	512753	122400	635153	14.09	304595	115700	420295	9.33	(4.76)
ii) Overseas									
b) Individual s									
i) Individual sharehold ers holding nominal share capital upto Rs. 2 lakh	593720	419766	1013486	22.48	681736	487714	1169450	25.94	3.46
ii) Individual sharehold ers holding nominal share capital in excess of Rs 2 lakh	718795	117658	836453	18.56	646256	47210	693466	15.38	(3.18)
c) Others (specify)									
Non Resident Indians	7342	29900	37242	0.83	7492	29500	36992	0.82	(0.01)
Clearing Members									
HUF	435035	-	435035	9.65	435536	-	435536	9.66	0.01
Sub-total (B)(2):-	2267645	689724	2957369	65.61	2075615	680124	2755739	61.13	(4.48)

Total Public Shareholding (B)=(B)(1) + (B)(2)	2267645	689724	2957369	65.61	2075615	680124	2755739	61.13	(4.48)
C. Shares held by Custodian for GDRs & ADRs					-	-	-	-	-
Grand Total (A+B+C)	3818076	689724	4507800	100	3827676	680124	4507800	100	0

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year 01.04.2015			Share holding at the end of the year 31.03.2016			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Tridev Finance Co. Ltd.	360469	8.00	-	392262	8.70	-	0.70
2	Kanta Devi Jain	108404	2.40	-	182550	4.05	-	1.65
3	Saurabh Jain	108122	2.40	-	203822	4.52	-	2.12
4	Harish Chand Jain	282796	6.27	-	282796	6.27	-	-
5	Pradeep Jain	190849	4.24	-	190849	4.24	-	-
6	Rajshree Patni	169661	3.76	-	169661	3.77	-	0.01
7	Deepika Manakchand Jain	330130	7.32	-	330121	7.32		-
	Total	1550431	34.39	-	1752061	38.87	-	4.48

iii) Change in Promoters' (Directors & their relatives) Shareholding

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	TRIDEV FINANCE CO. LTD.	360469	8.00		
	At the beginning of the year- 360469				
	16.10.2015	31793	Transfer	392262	8.70
	At the end of the year			392262	8.70

2.	DEEPIKA MANAKCHAND JAIN		330130	7.32		
	At the beginning of the year-330130					
	25.03.2016	-3	Transfer		330127	7.32
	31.03.2016	-6	Transfer		330121	7.32
	At the end of the year				330121	7.32
3.	SAURABH JAIN		108122	2.40		
	At the beginning of the year-108122					
	16.10.2015	95700	Transfer		203822	4.52
	At the end of the year				203822	4.52
4.	KANTA DEVI JAIN		108404	2.40		
	At the beginning of the year-108404					
	16.10.2015	74146	Transfer		182550	4.05
	At the end of the year				182550	4.05

* There is no change in the shareholding of any other promoters/directors between 01.04.2015-31.03.2016

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN				Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the top ten shareholders						
1.	Binod Kumar Tholia			412547	9.15	412547	9.15
2.	Raj Kumari Tholia			223500	4.96	223500	4.96
3.	Swastika Investmart Limited			390432	8.66		
	At the beginning of the year- 390432						
	16.10.2015	-201639	Transfer			188793	4.19
	25.03.2016	1	Transfer			188794	4.19
	31.03.2016	9	Transfer			188803	4.19
	At the end of the year					188803	4.19
4.	Anita Poddar			200000	4.44	200000	4.44
5.	Shweta Jain			134876	2.99	134876	2.99

6.	Sangeetha S			64690	1.44		
	At the beginning of the year- 64690						
	26.06.2016	2960	Transfer			67650	1.50
	At the end of the year					67650	1.50
7.	Sushma Mercantile (P) Ltd			50000	1.11	50000	1.11
8.	Transpower Marketing (P) Ltd			50000	1.11	50000	1.11
9.	Lata Jain			25040	0.55	25040	0.55
10.	B Lodha Securities Ltd.			25051	0.56		
	At the beginning of the year- 25051						
	11.03.2016	-51	Transfer			25000	0.55
	At the end of the year					25000	0.55

v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Harish Chand Jain (MD)	282796	6.27	282796	6.27
2.	Rajshree Patni (Director)	169661	3.77	169661	3.77
3.	Pradeep Jain (CFO)	190849	4.24	190849	4.24
4.	Komal Behl (CS)	-	-	-	-

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	200817078	-	-	200817078
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	200817078	-	-	200817078
Change in Indebtedness during the financial year				
* Addition	4450207			4450207
* Reduction	-	-	-	-
Net Change				
Indebtedness at the end of the financial year				

i) Principal Amount	205267285	-	-	205267285
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	205267285			205267285

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		HARISH CHAND JAIN (M.D)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	720000	720000
	(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 (A)	720000	720000
	Ceiling as per the Act	Salary is within limits	-

B. Remuneration to other directors-

No other director draws remuneration except sitting fees for attending meetings.

S.No.	Name Of Director	Fee for attending per meeting	Other	Total
1.	Mrs. Rajshree Patni	750	Nil	750
2.	Mr. Sunil Kumar Jain	750	Nil	750
3.	Mr. Deepesh Jain	750	Nil	750
4.	Mr. Mahendra Kumar Jain	750	Nil	750

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

SN	Particulars of Remuneration	Key Managerial Personnel		
		Komal Behl	Pradeep Jain	Total
1	Gross salary	181200	480000	661200
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	181200	480000	661200

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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 TRANSACTIONS WERE AT ARM'S LENGTH BASIS.

- (a) Name(s) of the related party and nature of relationship: NA
- (b) Nature of contracts/ arrangements/ transactions: NA
- (c) Duration of the contracts/ arrangements/ transactions: NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Justification for entering into such contracts or arrangements or transactions: NA
- (f) Date(s) of approval by the Board: NA
- (g) Amount paid as advances, if any: NA
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA

2. Details of material contracts or arrangement or transactions at arm's length basis

NONE: DURING THE REPORTING PERIOD, THERE WAS NO MATERIAL CONTRACT OR ARRANGEMENT.

(*As defined under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and adopted by the Board of Directors in the Related Party Transactions Policy of the Company, "Material Related Party Transaction" means a transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the Company.)

- (a) Name(s) of the related party and nature of relationship: NA
- (b) Nature of contracts/ arrangements/ transactions: NA
- (c) Duration of the contracts/ arrangements/ transactions: NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Date(s) of approval by the Board, if any: NA
- (f) Amount paid as advances, if any: NA

Registered office:

For and on Behalf of the Board

404, Shekhawati Complex,
Station Road, JAIPUR
Dated: 30th July, 2016

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN NO.: 01504391

(RAJSHREE PATNI)
(DIRECTOR)
DIN NO.: 06934858

FORM NO. MR-3

SECRETARIAL AUDIT REPORTFor the Financial Year ended 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Rajasthan Tube Manufacturing Company Limited,
404, Shekhawati Complex, Station Road,
Jaipur-302006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rajasthan Tube Manufacturing Company Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - 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 (Not applicable to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee

- Benefits) Regulations, 2014 notified on 28 October 2014; (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; (Not applicable to the Company during the Audit Period)
 - 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).

I 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 Listing Agreements entered into by the Company with Bombay Stock Exchange.

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

I 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the audit period there were no specific event/actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's affairs.

Place: - Jaipur
Date:- 30th July, 2016

For Megha Khandelwal & Associates
Company Secretaries

Megha Khandelwal
C.P. No.: 13405

INDEPENDENT AUDITORS' REPORT

To
The Members of
RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profits and its cash flows for the year ended on that date.

Report On Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", 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 it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as of March 31, 2016.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

Jaipur
Dated: 30th May, 2016

(ANKITA JAIN)
Partner
(Membership No.423734)

ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re. Rajasthan Tube Manufacturing Company Limited:

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
3. The Company has granted loans to one body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
(a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.

(b) In the case of the loans granted to the body corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company has complied with provisions of Section 186 of the Companies Act 2013 in respect of investments made during the year.
5. The Company has not accepted any deposits from public.

6. We have broadly reviewed the books of accounts maintained by the Company, pursuant to rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, value added tax, Excise Duty, Cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. No undisputed amounts payable in respect of sales tax, Income tax, Wealth Tax, Service Tax, Custom tax, Excise Duty and Cess were outstanding of the year end for a period of more than six months from the date they became payable except the following:

Name of the Statute	Nature of the Dues	Period to which the amt.Relates	Amount Rs.	Forum where the dispute is pending
Employees State Insurance Act.	ESI	1998-2000	94087	Employees State Insurance Court

b) According to the records of the company, there are no disputed amounts that have not been deposited with appropriate authorities on account of Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Sales Tax, Cess and Service Tax.

8. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan from financial institution or government.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). However, the company has taken term loans (vehicle loan) during the year which was applied for the purpose for which it was taken.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records of the Company, 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. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

Jaipur:
Dated: 30th May, 2016

(ANKITA JAIN)
Partner
(Membership No.423734)

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Rajasthan Tube Manufacturing Company Limited ("the Company") as of 31 March 2016 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

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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

Jaipur:
Dated: 30th May, 2016

(ANKITA JAIN)
Partner
(Membership No.423734)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2016

		Rupees in Rs.	
		As at 31.03.2016	As at 31.03.2015
A.	Note No.		
A. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a)	Share Capital	3	44998500
(b)	Reserves and Surplus	4	49418175
			<u>94416675</u>
2. Non-Current Liabilities			
(a)	Long term borrowings	5	226592
(b)	Deferred Tax Liabilities (Net)	6	-
			<u>226592</u>
3. Current Liabilities			
(a)	Short Term Borrowings	7	205267285
(b)	Trade Payables	32	143594819
(c)	Other Current Liabilities	8	3720692
(d)	Short Term Provisions	9	10326394
			<u>362909190</u>
			<u>325900426</u>
	TOTAL		<u>457552457</u>
			<u>419974293</u>
B. ASSETS			
1. Non-Current Assets			
(a)	Fixed Assets		
	i. Tangible Assets	10 (a)	20197376
(b)	Non-Current Investments	11	907000
(c)	Deferred tax assets (Net)	12	9096312
(d)	Long Term Loans and Advances	13	14922838
(e)	Other Non-Current Assets	14	217562
			<u>45341088</u>
			<u>36328565</u>
2. Current Assets			
(a)	Inventories	15	225251730
(b)	Trade Receivables	16	101497427
(c)	Cash and Bank Balance	17	14567790
(d)	Short Term Loans and Advances	18	69382579
(e)	Other Current Assets	19	1511843
			<u>412211369</u>
			<u>383645728</u>
	TOTAL		<u>457552457</u>
			<u>419974293</u>

C. SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENT

1-45

As per our Report even date Annexed

For PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

FOR AND ON BEHALF OF THE BOARD

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN NO.:01504391

JAIPUR,
30th May, 2016

(ANKITA JAIN)
PARTNER
M.NO.-423734

(RAJSHREE PATNI)
DIRECTOR
DIN NO.:06934858

(KOMAL BEHL)
COMPANY SECRETARY
M.NO.A35516

(PRADEEP JAIN)
CFO

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2016

	Note No.	Rupees in Rs.	
		For The Year 31.03.2016	For The Year 31.03.2015
INCOME			
Revenue from Operation	20	808400011	922271315
Other Income	21	<u>1078543</u>	<u>1159066</u>
TOTAL REVENUE		<u>809478554</u>	<u>923430381</u>
EXPENSES			
Cost of Material Consumed	22	782770261	904408877
Change in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	23	(13862722)	(11685431)
Employee Benefit Expenses	24	6731954	6826584
Finance Costs	25	23751693	24494201
Depreciation and amortization Expenses	10	1697517	2515695
Other Expenses	26	<u>17118504</u>	<u>19770012</u>
TOTAL EXPENSES		<u>818207207</u>	<u>946329938</u>
PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRA ORDINARY ITEMS & TAX		(8728653)	(22899557)
Profit/(Loss) Before Tax		(8728653)	(22899557)
Less : Tax Expense			
Current Tax		-	-
Deferred Tax		<u>(11030200)</u>	<u>(255353)</u>
PROFIT/(LOSS) FOR THE YEAR		2301547	(22644204)
EARNINGS PER EQUITY SHARE		0.51	-
BASIC AND DILUTED (in Rs.) (Face value of Rs.10/- each)			

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENT

1-45

As per our Report even date Annexed

FOR AND ON BEHALF OF THE BOARD

For PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN NO.:01504391

(ANKITA JAIN)
PARTNER

(RAJSHREE PATNI)
DIRECTOR

JAIPUR
30th May, 2016

(Membership No.423734)

DIN NO.:06934858

(KOMAL BEHL)
COMPANY SECRETARY
M.NO.A35516

(PRADEEP JAIN)
CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	Year Ended 31-3-2016	Year Ended 31-3-2015
(Rs."000)		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss Before Tax and Extra-ordinary Items	(8729)	(22900)
Adjustment for :		
Depreciation	1698	2516
(Profit)/Loss on Sale of Fixed Assets	-	-
Investment Income (Interest on Deposits etc.)	(1079)	(1159)
Interest Expenses	<u>23752</u>	<u>24494</u>
Operating Profit before working Capital Changes	15642	2951
Movements in working capital :		
Decrease/(Increase) in Trade and other Receivables	(9150)	4775
Decrease/(Increase) Inventories	(4182)	13756
(Decrease)/Increase in Trade Payables	39086	9190
Decrease/(Increase) in Long Term Loans and Advances	(433)	-
Decrease/(Increase) in Short Terms Loans & Advances	(16625)	(2488)
Decrease/(Increase) in Other Non-Current Assets	-	(27)
Decrease/(Increase) in Other Current Assets	(254)	(68)
(Decrease)/Increase in Short Term Provisions	313	(2392)
(Decrease)/Increase in Other Current Liabilities	<u>(6841)</u>	<u>5381</u>
Cash Generated from Operations	17556	31078
Less : Income Tax Paid (Net of Refunds)	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>17556</u>	<u>31078</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
(Purchase)/Sale of Fixed Assets, including intangible assets, CWIP and capital Work-in-Progress	(1181)	(327)
Interest Received	1079	1159
Increase/(Decrease) in Long Term Borrowings	202	(125)
Increase in Interest Accrued on Investment	-	-
NET CASH USED IN INVESTING ACTIVITIES	<u>100</u>	<u>707</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Increase/(Decrease) in Short Term Borrowings	4450	(5245)
Interest Paid	<u>(23752)</u>	<u>(24494)</u>
NET CASH FROM FINANCING ACTIVITIES	<u>(19302)</u>	<u>(29739)</u>
Net Increase/Decrease in Cash and Cash Equivalents	(1646)	2046
Cash and Cash Equivalents as at (Opening Balance)	<u>16214</u>	<u>14168</u>
Cash and Cash Equivalents as at (Closing Balance)	14568	16214

Note: Figures in Brackets Represent Outflows.

FOR AND ON BEHALF OF THE BOARD

For PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN NO.:01504391

(ANKITA JAIN)

(RAJSHREE PATNI)

PARTNER

DIRECTOR

JAIPUR
30th May, 2016

(Membership No.423734)

DIN NO.:06934858

(KOMAL BEHL)
COMPANY SECRETARY
M.NO.A35516

(PRADEEP JAIN)
CFO

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTES 1 TO 45: NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION:

Rajasthan Tube Manufacturing Company Limited is a Public limited company domiciled in India and incorporated under the provision of the Companies Act 1956. The Company is engaged in manufacturing and trading of Black and Galvanised ERW Steel Tubes and Pipes.

2 SIGNIFICANT ACCOUNTING POLICIES:

(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The accounts are prepared under the historical cost convention and on the basis of a going on concern and on the accrual system of accounting.

(B) USE OF ESTIMATES:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialised.

(C) FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost and amount added/adjusted on revaluation less Accumulated depreciation in the books of account. The company capitalized all costs incidental to acquisition and installation of fixed assets.

Depreciation on fixed assets is charged on straight line method except on GI Plant and Building which have commenced commercial production w.e.f. 16th February, 1996, and vehicles purchased after 01-04-1998 depreciation has been provided on written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

(D) VALUATION OF INVENTORIES:

Inventories are valued as under:

(a) Stores	:	At cost.
(b) Loose tools	:	At cost.
(c) Raw materials	:	At cost (FIFO)
(d) Stock in process	:	At estimated cost
(e) Finished goods	:	At lower of cost or net realizable value.

As per the consistent practice of the company, while valuing stocks, the relative impact/incidence of manufacturing, administrative and financial expenses has been considered. Cost includes estimated apportioned overheads. Finished goods lying in factory premise are valued inclusive of excise duty. Goods sent on Consignment held in stock have been valued at the Invoice Price. Raw material are valued on FIFO basis except Zinc which was valued on average cost basis.

(E) SALES

Sales are inclusive of conversion sale net of return, excise duty, rebate, claims, Freight and discount etc. Consignment Sales are recognized on receipt of

statement of account from the Agent. Debit Note/ Credit Note Pertaining to transaction with Govt. /Semi-Govt. Organization are debited and credited on the date of receipt of the same.

(F) EXCISE DUTY

Excise duty is accounted for at the time of removal of the goods.

(G) INVESTMENT

Investments are valued at cost.

(H) RETIREMENT BENEFITS

Provision for gratuity has been made on the basis of actuarial valuation in the accounts in respect of employees who has completed qualifying period of service.

(I) DEFERRED TAX:

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising from temporary timing differences are recognized to the extent there is reasonable certainty that the assets can be realized in future.

(J) CONTINGENT LIABILITIES:

Contingent liabilities are not provided for in the accounts and are separately shown in the notes to the accounts.

3 SHARE CAPITAL

	<u>As at 31.03.2016</u>	<u>As at 31.03.2015</u>
Authorised		
80,00,000 (Previous Year 80,00,000) Equity Shares of Rs.10/- each	8,00,00,000 =====	8,00,00,000 =====
Issued, Subscribed & Paid up		
45,07,800 (Previous Year 45,07,800) Equity Shares of Rs.10/- each fully paid up	4,50,78,000	4,50,78,000
Less : Allotment Money due towards Capital A/c	79,500 -----	79,500 -----
	4,49,98,500	4,49,98,500

Reconciliation of Number of Shares

	Number of Shares	Number of Shares
Equity Shares		
Opening Balance	45,07,800	45,07,800
Changes During The year	-	-
Closing Balance	45,07,800	45,07,800

a) Rights, Preferences and restrictions attached to shares.

Equity Shares:

The Company has one class of equity shares having a par value of Rs.10/- each. Each Shareholder is eligible 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 if any, in proportion to their shareholding.

b) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company.

	As at 31.03.2016	As at 31.03.2015
Equity Shares	Number of Share (%)	Number of Share (%)
TRIDEV FINANCE COMPANY LIMITED	392262 (8.70%)	360469 (7.99%)
HARISH CHAND JAIN	282796 (6.27%)	282796 (6.27%)
DEEPIKA MANAK CHAND JAIN	330121 (7.32%)	330130 (7.32%)
SWASTIKA INVESTMART LTD.	188803 (4.19%)	390432 (8.66%)
BINOD KUMAR THOLIYA HUF	412547 (9.15%)	412547 (9.15%)

4 : RESERVES & SURPLUS

General Reserve		
Opening balance	6101636	6101636
	<u>6101636</u>	<u>6101636</u>
Securities Premium Account		
Opening balance	16539000	16539000
Less: allotment Money due towards Premium account	26500	26500
	<u>16512500</u>	<u>16512500</u>
Investment Allowance Utilization Reserve	1747490	1747490
Surplus in Statement of Profit and Loss		
Opening balance	22755002	45541172
Add: Profit for the year	2301547	(22644204)
Less: Adjustment relating to Fixed asset (Refer Note no. 10)	-	<u>(141966)</u>
	<u>25056549</u>	<u>22755002</u>
	<u>49418175</u>	<u>47116628</u>

5 : LONG-TERMS BORROWINGS

SECURED LOANS		
From Other (Sundaram Finance Limited)	388064	175691
Less : Amount disclosed under the head other current liabilities	<u>(161472)</u>	<u>(150840)</u>
	226592	24851
UNSECURED LOANS		
From Other Parties (Companies)	-	-
	<u>226592</u>	<u>24851</u>

NOTE :

The term loan on vehicle is secured by hypothecation of vehicle financed repayment term is 36 equated monthly installment of Rs.16170/- from 03.07.2015 to 03.06.2018 interest rate 10.31% monthly compounded.

6 : DEFERRED TAX LIABILITIES (NET)

DEFERRED TAX LIABILITIES		
Difference between carrying amount of fixed assets in the financial statement and the income tax computation	-	1933888
	<u>-</u>	<u>1933888</u>

7 : SHORT-TERM BORROWINGS

As at 31.03.2016 As at 31.03.2015

SECURED LOANS**ON CASH CREDIT ACCOUNT**205267285200817078205267285200817078**NOTE:**

Working Capital Loan is secured by way of first charge as hypothecation over all the current assets of the company including its book Debts. This loan is further secured by First Charge in respect of other movable and immovable fixed assets of Company and personal guarantee of Shri Harish Chand Jain, Managing Director of the company.

8 : OTHER CURRENT LIABILITIES

TDS PAYABLE

CURRENT MATURITIES OF LONG TERM BORROWINGS

OTHER LIABILITIES

6474

13926

198496

150840

351572210396699

3720692

10561465

9 : SHORT-TERM PROVISIONS

PROVISION FOR EXCISE ON FINISHED GOODS

8865394

6952499

PROVISION FOR AUDIT FEES

61000

61000

PROVISION FOR TAXATION

140000030000001032639410013499**10 : FIXED ASSETS**

Depreciation	Gross Block as at 01.04.2015	Addition	Deletions/Adjustment	Gross Block as at 31.03.2016	Accumulated Depreciation/Amortisation as at 1.4.2015	Depreciation / Amortisation for the year	Deletions /Adjustments	Accumulated Depreciation/Amortisation as at 31.3.16	Net Block Value as at 31.3.16	Net Block Value as at 31.3.15
(a) Tangible assets (Owned)	-	-	-	-	-	-	-	-	-	-
Freehold Land	4752650	-	-	4752650	-	-	-	-	4752650	4752650
Building	23365669	-	-	23365669	11061878	603720	-	11665598	11700071	12303791
Plant & Machinery	50448136	-	-	50448136	47668482	486503	-	48154985	2293151	2779654
Furniture & Fixtures	352296	-	-	352296	315167	14337	-	329504	22792	37129
Vehicles	9741733	1180991	-	10922724	9190711	499086	-	9689797	1232927	551022
Office Equipments	1060073	-	-	1060073	770417	93871	-	864288	195785	289656
TOTAL	89720557	1180991	-	90901548	69006655	1697517	-	70704172	20197376	20713902
Previous Year	89393057	327500	-	89720557	66348994	2515695	141966	69006655	20713902	23044063
(b) Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-

NOTE: Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortized over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of Profit and Loss Account amounting to Rs. 141966/-.

11 : NON-CURRENT INVESTMENTS

As at 31.03.2016 As at 31.03.2015

TRADE INVESTMENTS (AT COST)

A) QUOTED (TRADE)

54500 Equity Share of Rs.10 each fully paidup of M/s Tridev Finance Company Limited. (Previous year 54500 Equity Shares of Rs.10/- each fully paidup) (Market value of Quoted investment Rs.545000/- Previous year Rs.545000/-)	545000	545000
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INVESTMENT IN GOVERNMENT SECURITIES

N.S.C.

362000	362000
<u>907000</u>	<u>907000</u>

12: DEFERRED TAX Assets (NET)**DEFERRED TAX ASSETS**

Difference between carrying amount of fixed assets in the financial statement and the income tax computation	9096312	-
--	---------	---

<u>9096312</u>	<u>-</u>
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13 : LONG-TERM LOANS AND ADVANCES**UNSECURED CONSIDERED GOOD**

SECURITIES DEPOSIT

14922838	14490101
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14 : OTHER NON-CURRENT ASSETS:**INTEREST ACCRUED ON NSC**

217562	217562
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15 : INVENTORIES

RAW MATERIAL	94658099	105338725
STORES	7840500	6840530
SPARES LOOSE TOOLS	186319	186319
STOCK -IN-PROCESS	42778262	46063270
FINISHED STOCK	79788550	62640820
	<u>225251730</u>	<u>221069664</u>

16 : TRADE RECEIVABLE**(UNSECURED, CONSIDERED GOOD)**

DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS	18173989	11241317
OTHER DEBTS	83323438	81105907
	<u>101497427</u>	<u>92347224</u>

17 : CASH AND BANK BALANCES

BALANCE WITH BANK		
IN CURRENT ACCOUNT	25943	554548
IN FIXED DEPOSIT ACCOUNTS *	12249000	12250000
CASH ON HAND	2292847	3409039
	<u>14567790</u>	<u>16213587</u>

* Fixed Deposit with Banks include Deposit of Rs.12249000 (Previous year Rs.12250000) with maturity of more than 12 months

18 : SHORT-TERM LOANS AND ADVANCES**(UNSECURED CONSIDERED GOOD)**

PREPAID EXPENSES	2363776	2067588
OTHER ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	67018803	50689723
	<u>69382579</u>	<u>52757311</u>

19 : OTHER CURRENT ASSETS :

INTEREST ACCRUED ON FDR	281895	138913
TDS RECEIVABLE	<u>1229948</u>	<u>1119029</u>
	<u>1511843</u>	<u>1257942</u>

**Year Ended
31.03.2016**

**Year Ended
31.03.2015**

20 : REVENUE FROM OPERATIONS :

SALES OF GOODS	875622431	1005909936
Less : excise duty	<u>67222420</u>	<u>83638621</u>
	808400011	922271315

21 : OTHER INCOME (NET)

INTEREST ON BANK DEPOSIT	1020691	1072292
OTHER INTEREST	<u>57852</u>	<u>86774</u>
	<u>1078543</u>	<u>1159066</u>

22 : COST OF MATERIAL CONSUMED

INDIGENOUS	<u>782770261</u>	<u>904408877</u>
	<u>782770261</u>	<u>904408877</u>

**23 : CHANGE IN INVENTORIES OF FINISHED GOODS,
STOCK-IN-PROCESS AND STOCK-IN-TRADE****INVENTORIES (AT CLOSE)**

FINISHED GOODS	79788550	62640820
STOCK-IN-PROCESS	<u>42778262</u>	<u>46063270</u>
	122566812	108704090

INVENTORIES (AT OPENING)

FINISHED GOODS	62640820	65470314
WORK-IN-PROGRESS	<u>46063270</u>	<u>31548345</u>
	<u>108704090</u>	<u>97018659</u>
	(13862722)	(11685431)

24 : EMPLOYEES BENEFIT EXPENSES

SALARIES WAGES AND BONUS	6689813	6771593
STAFF WELFARE EXPENSES	9025	25341
PROVIDENT FUND	<u>33116</u>	<u>29650</u>
	<u>6731954</u>	<u>6826584</u>

25 : FINANCE COSTS

INTEREST	23751693	24494201
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26 : OTHER EXPENSES

CONSUMPTION OF STORES AND SPARE PARTS	2244106	3895317
POWER AND FUEL	5155392	4258638
RATE AND TAXES	291558	193236
REPAIRING MAINTENANCE OF PLANT & MACHINERY	84802	70596
LEGAL AND PROFESSIONAL AND CONSULTANCY CHARGES	119955	141995
INSURANCE	312355	299476
TRAVELLING AND CONVEYANCE	203568	60080
PRINTING AND STATIONERY	25162	39966
POSTAGE, TELEGRAM & TELEPHONE	147824	148128
BANK COMMISSION	2956945	3316855
CONSIGNMENT COMMISSION & OTHER EXPENSES	97536	75372
MISCELLANEOUS EXPENSES	549902	1458609
BOARD MEETING EXPENSES	24750	22500
REMUNERATION TO AUDITOR'S	45000	45000
VEHICLE RUNNING & MAINTENANCE	<u>4859649</u>	<u>5744244</u>
	<u>17118504</u>	<u>19770012</u>

II. NOTES ON FINANCIAL STATEMENT:

	As at 31.3.2016 (Rs.)	As at 31.3.2015 (Rs.)
(27) Contingent liabilities not provided for:		
(i) Guarantee given by Bank against which the Directors have given counter guarantees.	50075000	55075000
(ii) Letter Credit Outstanding	72400000	65552522
(28) Payment to Auditors.		
	Current Year (Rs)	Previous Year (Rs)
	-----	-----
(i) Audit fees	18500	18500
(ii) Tax Audit	11000	11000
(iii) Reimbursement of Expenses	15500	15500
(29) Sundry Debtors, Loans & Advances and Creditors balances are subject to confirmation from respective parties and are considered good by the management.		
(30) The company extends the benefit of encashment of leave to its employees while in service as well as on retirement. As the company does not have any defined retirement benefit scheme in this respect, Accounting Standard AS-15 issued by the Institute of Chartered Accountants of India is considered not Applicable to that extent. There is no pending encashment of leave of employees at the end of year hence no provision is required. Provision for Gratuity has not been considered as none of the employees has Completed Prescribed year of service.		
(31) In the opinion of the management the Current Assets and Advances are approximately of the value stated, if realised in the ordinary course of business unless otherwise stated. The provisions for all liabilities are adequate.		
(32) Provision for taxation for the current year has been made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961 and as per section 115 JB of the Income Tax Act, 1961.		
(33) The company has not received any information from suppliers or service providers whether they are covered under the micro		

small and medium enterprises (Development) Act, 2006 disclosure relating to amount unpaid at the year end together with interest payable if any as required under the said act are not ascertainable.

(34) The Company has filed suit against Two Parties for Rs.3180262/- towards cheque return. No provision has been made in the books of accounts as management is of the opinion that amount is recoverable as it pertains to suit U/s138 of Negotiable Instrument Act.

(35) The Company operates solely in the Steel Tube/Pipes and Sheets segment hence no separate information for segment wise disclosure is required.

(36) Related Party Transactions:

(a) Relationship:

(i) Company under common Control of the Promoters.

(a) Tridev Finance Company Limited.

(ii) Key Management Personnel

(a) Shri Harish Chand Jain (Managing Director)

(b) Shri Pradeep Jain (CFO)

(iii) Relatives of Director:

(a) Pradeep Jain (CFO)

(b) Saurabh Jain

(c) Kanta Devi Jain

(b) The Following Transactions were carried out with related parties in the financial year 2015-2016.

1. Hiring Charges: Rs.72000/- paid to M/s Tridev Finance Co. Ltd.

2. Managerial Remuneration: Rs.720000/- was paid to Shri Harish Chand Jain

3. Board Meeting Fees: Rs.24750/- paid to Directors

4. Salary Rs.480000/- Paid to Shri Pradeep Jain (CFO).

5. Salary Rs.480000/- Paid to Shri Saurabh Jain.

6. Loans & Advance Granted and received back Rs.24119700/-

(c) The following balance were due from/to the related parties as on 31.03.2016

1. Investment in Equity share of M/s Tridev Finance Co. Ltd. Rs.5,45,000/-.

(37) The Managing Director has been paid Rs 720000/-(previous year RS.720000/-) as remuneration as per schedule V of the Companies Act,2013.Computation of net profit for the purpose, of managerial remuneration in accordance with the Companies Act,2013 has not been given as no commission by way of a percentage of profit is payable for the year under review.

(38) Tax deducted at source on interest income included in other income is Rs.102086/-(Previous year Rs.107246/-).

(39) Inventory includes goods in transit and consignment stock pending sale.

- (40) Excise Authorities have seized some books and papers of the company on dated 08-01-2014. But so far no show cause notice has been issued by the department.
- (41) C.I.F.value of imports: Rs. Nil (Previous year Nil)
- (42) F.O.B. value of exports: Rs. Nil (Previous year Nil)
- (43) **Earning Per Share**
- | | |
|---|---------|
| Net Profit after current and deferred tax | 2301547 |
| Weighted average number of equity shares of Rs.10/- each: | 4507800 |
| EPS (Rs.) - Basic and Diluted | 0.51 |
- (44) Corresponding figures of the previous year have been regrouped to confirm with this year's grouping wherever necessary.
- (45) Figures have been rounded off to the nearest rupee.

FOR AND ON BEHALF OF THE BOARD

For PRAMOD & ASSOCIATES
Chartered Accountants
(Registration No.001557C)

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR
DIN NO.:01504391

(ANKITA JAIN)
PARTNER
(Membership No.423734)

(RAJSHREE PATNI)
DIRECTOR
DIN NO.:06934858

JAIPUR
30th May, 2016

(KOMAL BEHL)
COMPANY SECRETARY
M.NO.A35516

(PRADEEP JAIN)
CFO

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Registered folio no./DP ID no./Client ID No.

No. of shares held

Dear Member,

Subject: Instructions for e-voting

Pursuant to provisions of section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 30th Annual General Meeting to be held on Saturday 24th September, 2016, at 10.00 A.M. at Anokha Gaon, Road No. 14, VKIA Industrial Area, Jaipur.

The Company has engaged the services of **Beetal Financial & Computer Services Private Limited** and Central Depository Limited (CDSL) to provide the e-voting facility.

The e-voting facility is available at the link <https://www.evotingindia.com>

The electronic voting particulars are set out below:

EVSN (Electronic Voting Sequence Number)	User ID:	Password
160801016		

The e-voting facility will be available during the following voting period:

Commencement of e-voting

Sept 21, 2016 at 9.00 a.m.

End of e-voting

Sept 23, 2016 at 5.00 p.m.

Please read the instruction printed below before exercising your vote.

These details and instructions form an integral part of the Notice for the Annual General Meeting to be held on September 24th, 2016.

Step for e-voting

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21st September, 2016 at 9:00 a.m. and ends on 23rd September 2016 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for M/s Rajasthan Tube Manufacturing Company Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

General instructions

a. The e-voting period commences on Sept 21, 2016 (9.00 a.m.) and ends on Sept 23, 2016 (5:00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September, 17, 2016, may cast their vote electronically. The e-voting module shall also be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

b. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September, 17, 2016 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

c. Shri Giriraj Prasad, Practicing Chartered Accountant (Membership Number 073380), Jaipur has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

d. The Scrutinizer shall, on the date of the Annual General Meeting after unblocking the votes cast at the meeting, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.

e. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on September, 17, 2016.

f. The result declared along with the Scrutinizer's Report shall be placed on the Company's websites www.rajtube.com and on the website of CDSL within three days of the passing of the resolutions at the 30th Annual General Meeting of the company on September 24, 2016, and communicated to the BSE Ltd.

All documents referred to in the accompanying Notice and the Statement pursuant to Section 102 (1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 30th Annual General Meeting of the Company.

By Order of the Board of Directors

July 30, 2016
Registered Office:
404, Shekhawati Complex,
Station Road,
JAIPUR
Ph No.- 0141-2372734
CIN: L27107RJ1985PLC003370

(KOMAL BEHL)
COMPANY SECRETARY
M.No.- A35516

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

CIN: L27107RJ1985PLC003370

404, Shekhawati Complex, Station Road, Jaipur.

PLEASE COMPLETE THIS ATTENDANCE SLIP AS PER THE DETAILS ON THE ENVELOPE AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

I hereby record my presence at the 30th ANNUAL GENERAL MEETING on Saturday 24th September, 2016 at 10.00 A.M. at "ANOKHA GAON "Near Road No.14, Vishwakarma Industrial Area, Sikar Road, Jaipur.

(IN BLOCK LETTERS)

NAME OF THE SHARE HOLDER/PROXY
SIGNATURE OF THE SHAREHOLDER/PROXY

Ledger Folio No....., No.of Share held

DP Id No..... Client Id.No.....

..... (TEAR HERE)
FORM OF PROXY

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Regd. Office :

404, Shekhawati Complex, Station Road, Jaipur.

CIN: L27107RJ1985PLC003370

Ledger Folio No.:

DP Id No..... Client Id.No.....

I/We

of being a

Member/ Members of Rajasthan Tube Manufacturing Company Limited here appoint of (or failing him

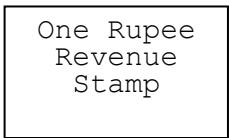
of or failing him

of) as my/our Proxy to attend and vote for me/us

and on my/our behalf at the 30th Annual General Meeting of the Company to be held on Saturday, the 24th September,2016 at 10.00 A.M. and at any adjournment thereof.

Signed this day of 2016.

Signed by the said



Note : This Form in order to be effective should, completed and must be deposited within 48 hours in the registered office of the company.