



Rajasthan Tube
Manufacturing Company Limited

Date: 30th August, 2019

To,
Corporate Service Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

Sub: Annual Report for the Financial year 2018-19
Ref: Scrip Code: 530253

Dear Sir/Ma'am

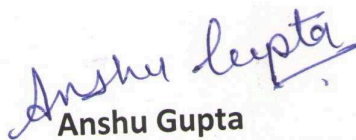
Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose Annual Report of the Company for the FY 2018-19.

Kindly take the same on your records.

Thanking You.

Yours Faithfully,

For Rajasthan Tube Manufacturing Company Limited


Anshu Gupta



Company Secretary & Compliance Officer

CIN No. : L27107RJ1985PLC003370

Regd. & Works Office : 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Dehra, Teh. Chomu, Distt. JAIPUR – 303806 (Raj.)
Visit us at : www.rajtube.com • e-mail : rajtube@hotmail.com, Ph. : +919828311222, +8875009017

Symbol of

RELIABILITY,

TRUTH &

LOYALTY



ANNUAL REPORT

2018-2019



Rajasthan Tube

Manufacturing Company Ltd.

ANNUAL REPORT 2018-19

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 :

GIRIRAJ & LOHIYA
CHARTERED ACCOUNTANTS
JAIPUR

CORPORATE ADVISOR :

MEGHA KHANDELWAL & ASSOCIATES
COMPANY SECRETARY
JAIPUR

COMPANY SECRETARY :

ANSHU GUPTA
JAIPUR

BANKERS :

STATE BANK OF INDIA

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 & WORKS :

28-37, BANKE BEHARI INDUSTRIAL AREA, JATAWALI MOD, MAHARKALA
ROAD, DEHRA, Teh. : CHOMU. Distt. JAIPUR (Raj.) 303 806

E-MAIL ID FOR INVESTORS GRIEVANCE :

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTICE

Notice is hereby given that Thirty third Annual General Meeting of the members of **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED** will be held at its registered office i.e. 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Village Dehra, Teh. Chomu, Distt. Jaipur-303806 on Saturday, 28th September 2019 at 10.00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors along with requisite annexures 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.

SPECIAL BUSINESS:

3. **To re-appoint Mr. Mahendra Kumar Jain as an Independent Director and in this regard, pass the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Mahendra Kumar Jain (DIN: 03427641), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, for re-appointment and who has submitted a declaration that he meets a criteria for independence under section 149(6) of the Act and Regulation 16(1) of the Listing Regulations, and whose re-appointment has been approved by the board of Directors based on the recommendation of Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 28th 2019, upto the conclusion of the 38th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

4. **To re-appoint Mr. Deepesh Jain as an Independent Director and in this regard, pass the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Deepesh Jain (DIN:01992289), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, for re-appointment and who has submitted a declaration that he meets a criteria for independence under section 149(6) of the Act and Regulation 16(1) of the Listing Regulations, and whose re-appointment has been approved by the board of Directors based on the recommendation of Nomination and Remuneration Committee, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from September 28th 2019, upto the conclusion of the 38th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **To appoint Mr. Shashank Jain as an Independent Director and in this regard, pass the following resolution as Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Shashank Jain (DIN:01992272) be and is hereby appointed as the Independent Director of the Company and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and whose appointment has been recommended by Nomination and Remuneration Committee, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company with effect from September 28th 2019, upto the conclusion of the 38th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To re- appoint Mr. Harish Chand Jain as Managing Director and in this regard, pass the following resolution as Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable

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provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Harish Chand Jain (DIN:01504391) as a Managing Director, for a further period of five years from 1st October, 2019 not liable to be retire by rotation on the remuneration and on such terms and conditions as set out in the explanatory statement annexed to the notice convening this Annual General Meeting and as contained in the draft agreement, a copy whereof initialed by the chairman for the purpose identification is placed before the meeting and with liberty and authority to board of directors to alter and vary such terms and conditions of the said appointment from time to time within the scope of Schedule V to the Companies Act, 2013 or any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. Harish Chand Jain."

"RESOLVED FURTHER THAT the Board of directors be and is hereby authorized to alter and vary the terms and conditions of the said appointment and/or agreement, to the extent the Board of Directors may consider appropriate, or as may be permitted or authorized in accordance with the provisions of the Act for the time being in force and within such limits, if any, as may be set out in the Act including the said Schedule V of the Act, in such manner as may be decided by the Board of Directors and the terms of the aforesaid agreement shall be suitably modified to give effect to such alteration and/or variation."

7. **To Ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2020 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 Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, to the extent applicable, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.18,000/- (Eighteen thousand only) plus GST as applicable, to be paid to M/s. G.K. Gupta & Company, (Firm Registration No. 100205), Cost Accountants, Cost Auditors of the Company, for the financial year 2019-20, as approved by the Board of Directors of the Company, be and is hereby ratified."

August 13, 2019

By Order of the Board of Directors

Registered Office :

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, JAIPUR-303806
CIN : L27107RJ1985PLC003370

Sd/-
(Anshu Gupta)
Company Secretary & Compliance Officer

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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.** 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. The instrument appointing the proxy duly completed and stamp must deposit at the Registered Office of the company i.e.28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road,Dehra, Teh.:Chomu, Jaipur-303806, not less than 48 hours before the commencement of the meeting.
3. Members, authorized representatives and Proxies attending the Meeting are requested to bring their attendance slip duly filled along with their copy of Annual Report to the Meeting. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Meeting is annexed hereto. Additional information, pursuant to Listing Regulations and Secretarial Standard on General Meetings in respect of Director seeking re-appointment/appointment at the Annual General Meeting is furnished as **Annexure** to the Notice.
5. Corporate Members are requested to send a duly certified true copy of the Board Resolution together with the respective specimen signature of the representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
6. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. The ordinary Resolution for ratification of Statutory Auditors is not proposed as pursuant to the Companies (Amendment) Act,2017, the same is omitted w.e.f. 7th May,2018.
8. The Register of Directors and KMP and their shareholding and register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 will be available for inspection by the members at AGM.
9. Members desiring any information/clarification/copy of any document at the meeting about the information contained in the Annual Report are requested to inform the Company at least a week before the AGM so as to enable the management to keep the information ready. Members are requested to visit the website of the company viz. www.rajtube.com for viewing the quarterly and annual financial results and for more information of the company.
10. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the registered office of the company on all working days during the business hours prior to the date of Annual General Meeting.
11. The record date for the purpose of determining the eligibility of members to attend the 33rd Annual General Meeting and to vote through remote e-voting facility provided by the company/

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vote at the venue of the Annual General Meeting will be 21.09.2019. Any person who is not a member as on the cut-off date shall treat this notice for information purposes only.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
13. **AS PER SEBI CIRCULAR NO. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 DATED APRIL 20, 2018, ANY MEMBERS STILL HOLDING THEIR SHARES IN PHYSICAL FORM** are requested to submit the particulars of their PAN number and bank account i.e. bank account number, name of the bank, address of the branch, IFSC , MICR code of the branch and type of account, to the company's registrar, Beetal Financial & Computer Services (p) Ltd., in respect of which separate communications have already been sent to such shareholders by the company in line with SEBI requirements.
14. **AS PER SEBI PRESS RELEASE PR No.: 12/2019 DATED MARCH 27, 2019**, it is informed that with effect from April 01, 2019, transfer of shares shall not be processed unless the shares are held in dematerialized form with a depository. However, the members are not prohibited from holding shares in physical form.
15. Members holding shares in physical form are requested to convert their holding to dematerialized form to eliminate any kind of risks associated with the physical shares and for ease in portfolio management, since physical share transfers are prohibited by SEBI from April 01, 2019.
16. Electronic copy of Annual report 2019 and Notice of the 33rd Annual General Meeting of the Company inter alia, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email address, physical copies of the Notice of the 33rd Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
17. Pursuant to section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 23, 2019 to Saturday, September 28, 2019, (both days inclusive) for the purpose of the Annual General meeting of the Company.
18. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to the Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company/Company's Registrar and Transfer Agents, i.e. Beetal Financial and Computer Services Pvt. Ltd.
19. The facility for voting through Ballot/Polling Paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote-voting shall be able to exercise their right at the meeting.
20. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

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21. In compliance with the provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Listing Regulations, the company is pleased to offer remote e-voting for the members to enable them to cast their votes electronically on all resolutions set forth in this notice.
22. The instructions for shareholders for remote e-voting are as under:
- (i) The voting period begins on 25th September, 2019 at 10:00 a.m. and ends on 27th September 2019 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 21st September, 2019, 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:

Particulars	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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	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.

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Dividend Bank Details

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

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) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

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- 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.
- (xx) 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 25, 2019 (10.00 a.m.) and ends on Sept 27, 2019 (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, 21, 2019, 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, 21, 2019 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, 21, 2019.
- 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 33rd Annual General Meeting of the company on September 28, 2019, 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 33rd Annual General Meeting of the Company.

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO
SECTION 102 OF THE COMPANIES ACT, 2013**

Item No. 3 and 4

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr. Mahendra Kumar Jain (DIN:03427641) and Mr. Deepesh Jain (DIN:01992289) as Independent Directors as per the requirements of the Companies Act, 2013 on September 27, 2014 for a term of five consecutive years.

The Board, based on the performance evaluation and as per the recommendations of the Nomination and remuneration Committee of the Board of Directors, has approved the re-appointment of Mr. Mahendra Kumar Jain and Mr. Deepesh Jain as an Independent Directors on the Board of the Company in its meeting held on 13.08.2019. The Board considers that, given their background and experience and contribution made by them during their tenure, the continued association of Mr. Mahendra Kumar Jain and Mr. Deepesh Jain would be beneficial to the Company and it is desirable to continue to avail their services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Mahendra Kumar Jain and Mr. Deepesh Jain as an Independent Directors of the Company, not liable to retire by rotation, for a further term of 5 (five) consecutive years upto the conclusion of the 38th Annual General Meeting of the Company.

Further, Mr. Mahendra Kumar Jain and Mr. Deepesh Jain have also provided a declaration to the effect that they are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as a Director. The company has also received declaration from Mr. Mahendra Kumar Jain and Mr. Deepesh Jain that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of Board, Mr. Mahendra Kumar Jain and Mr. Deepesh Jain fulfil the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Regulations and that the proposed director is independent of the management. A statement containing their profile is given as per **Annexure A** to the Notice.

Copy of draft letter of appointment of Mr. Mahendra Kumar Jain and Mr. Deepesh Jain setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, whether financially or otherwise, in the Resolution except Mr. Mahendra Kumar Jain and Mr. Deepesh Jain being the appointee.

The Board recommends the passing of the Special Resolution as set out in the Item no. 3 and 4 of the Notice for approval by the members.

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Item No 5

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Nomination and Remuneration committee has recommended the appointment of Mr. Shashank Jain, as Independent Director as per the requirements of the Companies Act, 2013 from September 28, 2019 for a term of five consecutive years.

The appointment of Mr. Shashank Jain, shall be effective upon approval by the members in the Meeting.

The Company has received from Mr. Shashank Jain (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-Section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-Section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Shashank Jain as an Independent Director of the Company not liable to retire by rotation, for a term of 5 (five) consecutive years for upto the conclusion of the 38th Annual General Meeting of the Company, pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder.

In the opinion of the Board of Directors, Mr. Shashank Jain, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A statement containing his profile is given as per **Annexure A** to the notice.

Copy of draft letter of appointment of Mr. Shashank Jain setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

No director, key managerial personnel or their relatives, except Mr. Shashank Jain, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the ordinary resolution set forth in Item no.5 for the approval of the members.

Item No.6

The existing tenure of Mr. Harish Chand Jain continues up to 30.09.2019. His re-appointment effective from 01.10.2019 requires approval of the members. It is under the stewardship of Mr. Harish Chand Jain that the Company has achieved all round growth and made for itself a reputation in the core areas of its business.

It is proposed to re-appoint him for the further period of 5 years with effect from 01.10.2019 and member's approvals sought to the re-appointment. During this proposed tenure Mr. Harish Chand Jain will complete the age of 70 years, therefore the consent of members is required by way of Special Resolution for continuance of Managing Director beyond the age of seventy years.

The terms of his re-appointment and remuneration including minimum remuneration are set out as under

Remuneration :

Salary : Rs. 60,000/- per month

Administration and Control

The Managing Director shall be in charge of the management and general administration of the affairs of the company subject to the superintendence, control and directions of the Board and/or committees

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

of the Board and the Memorandum and Articles of Association of the Company subject to such restrictions as may be prescribed by the Board of Directors from time to time.

Minimum Remuneration

In the event of loss or inadequacy of profit in any financial year, the company shall pay to you, in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit, subject to the limits prescribed herein and Schedule V to the Companies Act, 2013.

Termination

In the event of termination by you or the Company, by one party giving to the other 3 months calendar notice in writing or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

A statement containing his profile is given as per **Annexure A** to the notice.

Mr. Harish Chand Jain is interested in the resolution set out respectively at Item No. 6 of the Notice, which pertain to his re-appointment and remuneration payable to him.

The relatives of Mr. Harish Chand Jain may be deemed to be interested in the resolution set out at Item No. 6 of the Notice, to the extent of their shareholding interest, if any in the company.

Accordingly, the Board recommends the passing of the Special resolution as set out in the item no. 6 of the Notice

Item No. 7

The Board of Directors of the Company in its meeting held on 13TH August, 2019, approved the appointment and remuneration of M/s G K Gupta & Co., Cost Accountants upon the recommendation of Audit Committee to conduct the cost audit of the cost records of the company for the financial year 2019-20, subject to the applicability of cost audit in terms of rules framed by the Ministry of Corporate Affairs. Pursuant to 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 members of the company.

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

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members.

August 13, 2019

By Order of the Board of Directors

Registered Office :

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, JAIPUR-303806
CIN : L27107RJ1985PLC003370

Sd/-
(Anshu Gupta)
Company Secretary & Compliance Officer

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

ANNEXURE 'A'

Details of the Director seeking appointment and re-appointment in the ensuing Annual General Meeting:

1. PROFILE OF MRS. RAJSHREE PATNI:

Brief resume of Director : Mrs. Rajshree Patni aged 32 Years, was appointed on 27th September, 2014 as Executive Director and liable to retire by rotation on the Board of Directors of the Company.

Mrs. Rajshree Patni is graduate and she holds experience of around 5 years in administration of the company.

Nature of Expertise in Specific Functional Area : General Administration

Disclosure of Relationship between Directors inter-se : Daughter in law of Mr. Harish Chand Jain, Managing Director of the Company

Listed Companies (other than Rajasthan Tube) in which Mrs. Rajshree Patni holds directorship and Committee membership&Directorship : Nil

Committee Membership(includes only Audit Committee & Stakeholder Relationship Committee) in other listed entity : Nil

Shareholding in the Company : 243219

2. PROFILE OF MR. MAHENDRA KUMAR JAIN:

Brief resume of Director : Mr. Mahendra Kumar Jain aged 67 Years, was appointed on 27th September, 2014 as Non-Executive Director Independent Director on the Board of Directors of the Company.

Mr. Mahendra Kumar Jain is graduate and he holds experience of around 8 years in administration of the company.

Nature of Expertise in Specific Functional Area : General Administration and control

Disclosure of Relationship between Directors inter-se : NA

Listed Companies (other than Rajasthan Tube) in which Mr. Mahendra Kumar Jain holds directorship and Committee membership & Directorship : Nil

Committee Membership(includes only Audit Committee & Stakeholder Relationship Committee) in other listed entity : Nil

Shareholding in the Company : Nil

3. PROFILE OF MR. DEEPESH JAIN:

Brief resume of Director : Mr. Deepesh Jain aged about 38 Years, was appointed on 27th September, 2014 as Non-Executive Director Independent Director on the Board of Directors of the Company.

Mr. Deepesh Jain is Commerce graduate and he is a Strategic Management Expert, holds 16 years of experience in the Strategic management of the company.

Nature of Expertise in Specific Functional Area : Strategic Management Expert

Disclosure of Relationship between Directors inter-se : NA

Listed Companies (other than Rajasthan Tube) in which Mr. Deepesh Jain holds directorship and Committee membership & Directorship : Nil

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Committee Membership (includes only Audit Committee & Stakeholder Relationship Committee) in other listed entity : Nil

Shareholding in the Company : Nil

4. PROFILE OF MR. SHASHANK JAIN

Brief resume of Director : Mr. Shashank Jain, aged 49 Years, is appointed on 28th September, 2019 as Non-Executive Director Independent Director on the Board of Directors of the Company.

Mr. Shashank Jain is Commerce graduate and has a vast knowledge of Business Administration and Marketing.

Nature of Expertise in Specific Functional Area : Business Administration and Marketing

Disclosure of Relationship between Directors inter-se : NA

Listed Companies (other than Rajasthan Tube) in which Mr. Shashank Jain holds directorship and Committee membership & Directorship : Nil

Committee Membership (includes only Audit Committee & Stakeholder Relationship Committee) in other listed entity : Nil

Shareholding in the Company : Nil

5. PROFILE OF MR. HARISH CHAND JAIN:

Brief resume of Director : Mr. Harish Chand Jain aged 67 Years, was appointed on 1st October, 2014 as Managing Director designated as Executive Director on the Board of Directors of the Company.

Mr. Harish Chand Jain holds degree of Bachelor of Science and in charge of the management and general administration of the affairs of the company subject to the superintendence, control and directions of the Board and/or committees of the Board and the Memorandum and Articles of Association of the Company subject to such restrictions as may be prescribed by the Board of Directors from time to time.

Nature of Expertise in Specific Functional Area : in charge of the management and general administration of the affairs of the company and holds 34 years of experience in the management and administration of the company.

Disclosure of Relationship between Directors inter-se : Father-in-law of Mrs. Rajshree Patni, Director of Company

Listed Companies (other than Rajasthan Tube) in which Mr. Harish Chand Jain holds directorship and Committee membership & Directorship : Nil

Committee Membership (includes only Audit Committee & Stakeholder Relationship Committee) in other listed entity : Nil

Shareholding in the Company : 726123

August 13, 2019

By Order of the Board of Directors

Registered Office :

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, JAIPUR-303806
CIN : L27107RJ1985PLC003370

Sd/-

(Anshu Gupta)

Company Secretary & Compliance Officer

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 33rd Annual Report on the businesses and operations of your company together with audited statement of accounts for the year ended on 31st March, 2019.

INDIAN ACCOUNTING STANDARDS (Ind AS):

The Standalone financial statements of the year ended March 31, 2019 have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

FINANCIAL PERFORMANCE :

	For the year ended on 31.3.2019 (Rs.in lacs)	For the year ended on 31.3.2018 (Rs.in lacs)
Total Sales	7670.09	7725.28
Other Income	3.46	2.38
Total Income	7673.55	7727.66
Profit before Interest & Depreciation	225.64	304.17
Interest	205.92	223.84
Profit/(Loss) before depreciation	19.72	80.33
Depreciation	9.82	10.74
Profit/(Net Loss) before Taxation	9.90	69.59
Provision for Taxation	1.65	3.5
Deferred Tax(Net)	3.35	28.14
Profit/(Net Loss) after Taxation	4.90	37.95
Balance brought forward from previous year	161.55	123.60
Profit available for appropriation	166.45	161.55
Balance carried to Balance Sheet	166.45	161.55

OPERATIONAL REVIEW AND STATE OF COMPANY'S AFFAIR:

The Company is mainly engaged in the business of manufacturing of ERW Steel Tubes. The financial performance of the company has been decreased since the last financial year. During the year under review, the sales and other income during the year decreased to Rs.7673.55 Lacs as compared to Rs. 7727.66 Lacs in the previous year. The Profits after tax during the year is Rs. 4.90 lacs as compared to a profit of Rs. 37.95 lacs in the previous year.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

DIVIDEND:

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

AMOUNT TRANSFER TO 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.

CHANGE IN THE NATURE OF BUSINESS:

In pursuance to Rule 8 (5) of the Companies (Accounts) Rules, 2014, there is no change in the nature of business in the year under review.

MATERIAL CHANGES & COMMITMENTS:

There has been no material changes and commitments affecting the financial position of the company between the end of financial year and the date of this report.

MATERIAL ORDERS:

In pursuance to Rule 8 (5) (vii) of the Companies (Accounts) Rules, 2014, 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.

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.

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

The company does not have any Subsidiary/ Associate or Joint Venture.

DEPOSITS:

The Company has not invited or accepted any fixed deposit during the year as per the provisions of Section 73 (2) of the Companies Act, 2013 and rules made there under.

STATUTORY AUDITORS:

M/s Giriraj & Lohiya, Chartered Accountants were appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the AGM held on 24th September, 2016. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

AUDITOR'S REPORT:

The Auditor's Report to the members on the accounts of the company for the financial year ended 31st March, 2019 does not contain any qualification, reservations or adverse remarks. The Notes to the Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further explanation.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

REPORTING OF FRAUD BY AUDITORS:

During the year under review, neither the statutory auditors nor the secretarial auditors has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report

COST RECORDS AND COST AUDITOR:

Pursuant to the provisions of Section 148(2) of the Companies Act, 2013 read with Companies (Cost Records and Audit), Amendment Rules, 2014, required to have the audit of its cost records conducted by a Cost Accountant. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the re-appointment of M/s.G.K.Gupta & Company, (Firm Registration No. 100205), Cost Accountants as the Cost Auditors of the Company for the year ending 31 March, 2020. The remuneration proposed to be paid to the Cost Auditor requires ratification in terms of Section 148 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and is accordingly forms part of the notice convening the AGM.

SECRETARIAL AUDITOR:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Ms. Megha Khandelwal Company Secretary in Whole Time Practice, to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit report is annexed to this report as **Annexure-III**. The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation or adverse remark.

PREVENTION OF INSIDER TRADING:

In compliance with the provisions of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the confidentiality of price sensitive information to prevent misuse thereof and regulate trading by designated persons. The code of practices and procedures for fair disclosure of unpublished price sensitive information is also available on the Company's website, i.e. www.rajtube.com

SECRETARIAL STANDARDS:

During the year, the Company has complied with all applicable secretarial standards.

SHARE CAPITAL:

There was no change in the Company's share capital during the year under audit. The paid-up equity share capital as on 31st March, 2019 was Rs.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, 2019, none of the Directors of the company hold any convertible instruments of the company.

EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the company as provided under section 92(3) Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is annexed herewith as **Annexure-I** in the prescribed Form MGT-9 to this Report. The same is also available on the website of the Company, i.e. www.rajtube.com

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

- 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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- a) **DIRECTORS** - 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.
The Nomination and Remuneration Committee, have recommended the candidature of Mr. Mahendra Kumar Jain and Mr. Deepesh Jain who fulfils the requisite criteria of an Independent Director for a second term of five (5) years and Mr. Shashank Jain for a term of five (5) years effective from September 28, 2019 to the Members of the Company, in the ensuing Annual General Meeting for their approval.
- b) **KEY MANAGERIAL PERSONNEL** - Pursuant to the Provisions of Section 203 of the companies Act, 2013 the Key Managerial Personnel of the company are Mr. Harish Chand Jain (Managing Director) Mr. Pradeep Jain (Chief Financial Officer) and Ms. Anshu Gupta (Company Secretary).

INDEPENDENT DIRECTORS AND DECLARATION:

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.

FAMILIARIZATION OF INDEPENDENT DIRECTOR:

The details of familiarization programme for independent Directors have been disclosed on the website of the Company. Weblink for the same is <http://rajtube.com/data/Familiarization%20programme.pdf>

BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the 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

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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 was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting.

Performance evaluation of Independent Directors is done by the entire Board of Directors (excluding the directors being evaluated).

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. The current policy is to have a balance mix of executive and non-executive Independent Directors to maintain the Independence of the Board, and separate its function of governance and management. As at 31 March, 2019, the Board of Directors comprises of 5 Directors including 1 women Director of which 3 are non-executive. The number of Independent Directors is 3, which is one half of the total numbers of Directors. The Policy of the Company on Directors appointment including criteria for determining qualifications, positive attributes, independence of Directors and other matters as required under Section 178 of Companies Act 2013 is governed by Nomination Policy read with Company's policy on appointment/reappointment of Independent Directors. The remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE:

The Company is committed to provide a safe and conducive work environment to its employees. 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.

NO. OF BOARD MEETINGS:

During the year 2018-19, 11 (Eleven) meetings of the Board of Directors were held. The intervening gap between the meeting was within the period prescribed under Companies Act, 2013 and regulation 17 of SEBI (LODR) Regulation 2015. The dates on which the said meetings were held:

02nd May, 2018; 18th May, 2018; 30th May, 2018; 26th July, 2018; 03rd August, 2018; 25th September, 2018; 01st November, 2018; 02nd November, 2018; 14th November, 2018; 13th December, 2018 and 14th February, 2019.

The attendance records of the Directors at the Board Meetings during the year ended on 31st March, 2019 and at the last AGM is as under:

Name of Directors	No. of Board Meetings held	No. of Board Meeting attend	Attendance at last AGM
Harish Chand Jain	11	11	Yes
Rajshree Patni	11	11	Yes
Mahendra Kumar Jain	11	11	Yes
Deepesh Jain	11	11	Yes
Sunil Kumar Jain	11	11	Yes

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COMMITTEES OF THE BOARD:

The Company's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles and the Companies Act, 2013, the Company has formed following three Committees of Directors which are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees and the risk management framework.

❖ **AUDIT COMMITTEE :**

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Act. The Audit Committee comprises three (3) Independent Directors namely Shri Sunil Kumar Jain (Chairman), Shri Deepesh Jain and Shri Mahendra Kumar Jain as other members.

All the members of the committee possess sound knowledge of Accounts, Audit, Finance, Internal Control etc.

BROAD TERMS OF REFERENCE

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations. Its inter-alia includes the following:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) Monitoring the end use of funds raised through public offers and related matters.

During the year 2018-19, 4 (Four) meetings of Audit Committee were held and not more than 120 days lapsed between two consecutive meetings of the Audit Committee. The dates on which the said meetings were held:

29th May, 2018; 02nd August, 2018; 13th November 2018 and 13th February 2019.

All the Members of the Committee were present at all the meetings.

The Board has accepted all the recommendations made by the Audit Committee during the year under review.

❖ **NOMINATION & REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee comprises three (3) Independent Directors namely

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Shri Deepesh Jain (Chairman), Shri Sunil Kumar Jain and Shri Mahendra Kumar Jain as other members.

TERMS OF REFERENCE :

The Committee is empowered to:

- a) Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors;
- b) Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy and to carry out evaluation of every Director's performance.
- c) recommend to the Board the appointment and removal of Directors and Senior Management and policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- d) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- e) devise a policy on Board diversity.
- f) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

During the Financial year 2018-19 two meetings of Nomination and Remuneration Committee were held. The dates on which the said meetings were held:

01st May, 2018 and 25th July 2018.

All the Members of the Committee were present at all the meetings.

REMUNERATION POLICY

The detailed Nomination and Remuneration Policy of the Company is posted on the website of the Company at <http://rajtube.com/data/Nomination%20Policy.pdf>

❖ STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is entrusted with the responsibility of addressing the shareholders / investors complaints with respect to transfer, transmission of shares, duplicate issuance of share certificate, non-receipt of Annual Report, non-receipt of dividend etc.

The Stakeholders Relationship Committee consists of three members and all are Independent Directors including the Chairman of the Committee. Mr. Sunil Kumar Jain is the Chairman of the Committee.

During the Financial year 2018-19 Four meetings of Stakeholder Relationship Committee were held. The dates on which the said meetings were held:

29th August, 2018; 14th December, 2018; 12th March, 2019 and 28th March, 2019

All the Members of the Committee were present at all the meetings.

CORPORATE SOCIAL RESPONSIBILITY :

The provisions of CSR are not applicable to the company for the Financial Year 2018-19 as the company does not fall under the provisions of Section 135 of the Companies Act, 2013.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

MEETING OF MEMBERS

The members of the company met once during the financial year 2018-19 on 29.09.2018 on Annual General Meeting of the Company, in respect of which proper notices were given and the proceedings were properly recorded, signed and maintained in the Minutes Book maintained by the Company.

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 weblink for the same is <http://rajtube.com/data/blower.pdf>

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. The details of investments held as on 31.03.2019 are given in Financial Statements.

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 i.e. 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. 35 of the financial statements as at 31st March, 2019 which forms part of this Annual Report for details of related party transactions.

MANAGERIAL REMUNERATION/PARTICULARS OF EMPLOYEES:

- A. 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:
- I. 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	2.79
Mrs. Rajshree Patni	-

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

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

Median Remuneration the end of F.Y. 2017-18	Median Remuneration at the end of F.Y. 2018-2019	% increase in the median at remuneration of employees
258000	258000	--

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

*While calculating median remuneration, remuneration of only those employees is considered who were in employment for the complete financial year 2018-2019.

- IV. The number of permanent employees on the payroll of the company at the end of the relevant financial year: 27
- V. There is no increase in the remuneration of employees or Key managerial personnel, hence comparison is not made.
- VI. There is no variable component of remuneration availed by directors in the relevant financial year.
- VII. The company affirms the remuneration is as per the remuneration policy of the company.
- VIII. None of the directors of the company (MD or WTD) receives any commission from company.
- IX. None of the employee of the Company is drawing more than Rs.1,02,00,000/- per annum or Rs 8,50,000/- per month or for the part of the year, during the year under review therefore particulars of the employees as required under section 197 of the Companies Act,2013 read with rule 5(2) & rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not applicable, during the year under review.
- B. Details pursuant to section 197 (12) of the Companies Act,2013 read with the rule 5 (2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Name	Age	Remuneration Received (Per Annum)	Designation	Nature of Employment	Qualification	Commencement of Employment	Last Employment	% of Equity Shares Held	Whether Relative of Director
SAURABH JAIN	35	480000/-	Marketing manager	ONROLL EMPLOYEE	B.COM	March 2014	Un-employed	7.52%	YES
PRADEEP JAIN	38	480000/-	CFO	ONROLL EMPLOYEE	B.COM	October 2014	Un-employed	4.23%	YES
ANSHU GUPTA	25	241290/-	COMPANY SECRETARY	ONROLL EMPLOYEE	CS, M.COM	MAY 2018	Un-employed	-	NO
SHAMBHU DAYAL SHARMA	48	261600/-	ELECTRICIAN	ONROLL EMPLOYEE	12th	April 2018	Un-employed	-	NO
SANDEEP GURJAR	33	260400/-	IInd Mill Operator	ONROLL EMPLOYEE	12th	April 2018	Un-employed	-	NO
JAGMAL SINGH	42	260400/-	MILL OPERATOR (BIG MILL)	ONROLL EMPLOYEE	12TH	April 2018	Un-employed	-	No
HANUMAN SINGH	62	258000/-	FORMAN	ONROLL EMPLOYEE	B.A.	April 2018	Un-employed	-	NO
GIRDHARI VERMA	37	258000/-	FITTER	ONROLL EMPLOYEE	12th	April 2018	Un-employed	-	NO
SHUBH KARAN	55	258000/-	QUALITY CONTROL INCHARGE	ONROLL EMPLOYEE	12th	April 2018	Un-employed	-	NO
ONKAR SINGH	31	255600/-	LOADING	ONROLL EMPLOYEE	B.A.	April 2018	Un-employed	-	NO

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 crores.

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

INSURANCE

The Property and assets of the Company are adequately financed.

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, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed with proper explanation relating to material departures.
- 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, 2019 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.

LISTING OF SHARES:

The shares of the company are listed on the Bombay Stock Exchange Limited. The company has paid annual listing fees for the financial year 2019-20.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provision of section 125 (2) of the companies Act, 2013 do not apply as there was no dividend declared and paid last year.

MANAGEMENT DISCUSSION & ANALYSIS 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 constituents. 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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.

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

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, Distt. JAIPUR-303806

For and on Behalf of the Board

Date: August 13, 2019

-Sd-
(RAJSHREE PATNI)
(DIRECTOR)
(DIN No. 06934858)

-Sd-
(HARISH CHAND JAIN)
MANAGING DIRECTOR
(DIN No. 01504391)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

CEO / CFO CERTIFICATE

To,

The Board of Directors

We Harish Chand Jain, Managing Director and Pradeep Jain, Chief Financial Officer of Rajasthan Tube Manufacturing Company Limited certify that:

1. We have reviewed financial statements and the cash flow statement and Board's Report of Rajasthan Tube Manufacturing Company Limited for the year ended 31st March, 2019 and to the best of our knowledge, belief and information:
 - 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 disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to ratify these deficiencies.
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 :

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, Distt. JAIPUR-303806
Dated : 30th May, 2019

Pradeep Jain
(Chief Financial Officer)

(Harish Chand Jain)
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 Board of Directors of the Company has laid down a Code of Conduct for its members and Senior Management Personnel of the Company. The same has also been posted on the weblink <http://rajtube.com/data/CC.pdf> it is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2019 as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For the purpose of this declaration, senior management personnel mean the members of the Management one level below the Managing Director of the Company as 31 March, 2019.

Registered Office :

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, Distt. JAIPUR-303806
Dated : 30th May, 2019

Sd/-
(HARISH CHAND JAIN)
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, 2019, 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 a review of 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 **GIRIRAJ & LOHIYA**
Chartered Accountants
(Registration No. 006031C)

Jaipur
Dated : 30th May, 2019

Sd/-
(Giriraj Prasad)
Partner
(Membership No. 73380)

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	RAJASTHANTUBE MANUFACTURING COMPANY LIMITED
CATEGORY/SUB-CATEGORY OF THE COMPANY	PUBLIC COMPANY/LIMITED BY SHARES
ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS	28-37, BANKE BIHARI INDUSTRIAL AREA, JATAWALI MOD, MAHARKALA ROAD, DEHRA, TEH.: CHOMU, DISTT. JAIPUR-303806 EMAIL: RAJTUBE@HOTMAIL.COM
WHETHER LISTED COMPANY	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

S.NO.	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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1748126	0	1748126	38.78	1941541	0	1941541	43.07	4.29
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	545938	0	545938	12.11	378655	0	378655	8.40	(3.71)
e) Banks / FI									
f) Any other (Director & their relatives)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	2294064	0	2294064	50.89	2320196	0	2320196	51.47	0.58
B. Public Shareholding	0	0	0	0	0	0	0	0	0
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	91307	115700	207007	4.59	95128	115700	210828	4.68	0.09
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	626346	414666	1041012	23.09	620239	399466	1019705	22.62	(0.47)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	369641	117658	487299	10.81	359490	117658	477148	10.58	(0.23)
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	7540	28500	36040	0.80	7540	28500	36040	0.80	0
Clearing Members									
HUF	442378	0	442378	9.81	443883	0	443883	9.85	0.04
Sub-total (B)(2):-	1537212	676524	2213736	49.11	1526280	661324	2187604	48.53	(0.58)
Total Public Shareholding (B)=(B)(1)+(B)(2)	1537212	676524	2213736	49.11	1526280	661324	2187604	48.53	(0.58)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3831276	676524	4507800	100	3846476	661324	4507800	100	0

ii) Shareholding of Promoter :

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2018			Share holding at the end of the year 31.03.2019			% 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.	545938	12.11	-	378655	8.40	-	(3.71)
2	Saurabh Jain	338822	7.52	-	338822	7.52	-	0
3	Harish Chand Jain	532158	11.81	-	726123	16.11	-	4.3
4	Pradeep Jain	190849	4.23	-	190849	4.23	-	0
5	Rajshree Patni	243219	5.40	-	243219	5.40	-	0
6	Deepika Manakchand Jain	443078	9.83	-	442528	9.82	-	(0.01)
	Total	2294064	50.89	-	2320196	51.47	-	0.58

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

S. No.		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 Opening Balance Transactions (Purchase/Sale) from 1 st April, 2018 to 31 st March, 2019 Closing Balance	532158 193965	11.81	532158 726123	11.81% 16.11%
2.	Deepika Manakchand Jain Opening Balance Transactions (Purchase/Sale) from 1 st April, 2018 to 31 st March, 2019 Closing Balance	443078 (550)	9.83	443078 442528	9.83% 9.82%
3.	Tridev Finance Company Limited Opening Balance Transactions (Purchase/Sale) from 1 st April, 2018 to 31 st March, 2019 Closing Balance	545938 (167283)	12.11	545938 378655	12.11% 8.40%

* There is no change in the shareholding of any other promoters/directors between 01.04.2018-31.03.2019.

iv) Shareholding Pattern of top ten Shareholders : (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.		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 (HUF)	412547	9.15	412547	9.15
2.	Raj Kumari Tholia	223500	4.95	223500	4.95
3.	Subramanian P	93080	2.06	93080	2.06
4.	Transpower Marketing (P) Ltd	50000	1.11	50000	1.11
5.	Sushma Mercantile (P) Ltd	50000	1.11	50000	1.11
6.	Dipak Shah	28958	0.64	28958	0.64
7.	Lata Jain	25040	0.56	25040	0.56
8.	B Lodha Securities Ltd.	25000	0.55	25000	0.55
9.	B Raj Capfin Private Limited	24000	0.53	24000	0.53
10.	Anurag Jain	22170	0.49	22170	0.49

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	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 Opening Balance Transactions (Purchase/Sale) from 1 st April, 2018 to 31 st March, 2019 Closing Balance	532158 193965	11.81	532158 726123	11.81 16.11
2.	Rajshree Patni –Director Opening Balance Transactions (Purchase/Sale) from 1 st April, 2018 to 31 st March, 2019 Closing Balance	243219 0	5.40	243219 243219	5.40 5.40
3.	Pradeep Jain (CFO) Opening Balance Transactions (Purchase/Sale) from 1 st April, 2018 to 31 st March, 2019 Closing Balance	190849 0	4.23	190849 190849	4.23 4.23

*The directors and KMP (except above) do not hold any shares in the company during the financial year 2018-19.

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	149783332	-	-	149783332
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	149783332	-	-	149783332

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Change in Indebtedness during the financial year				
* Addition	54205011	-	-	54205011
* Reduction	-	-	-	-
Net Change	54205011	-	-	54205011
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	203988343	-	-	203988343

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S.No.	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	84 lakhs	-

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		Anshu Gupta	Pradeep Jain	Total
1	Gross salary	241290	480000	721290
	(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	241290	480000	721290

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL

Registered Office

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, Distt. JAIPUR-303806

For and on Behalf of the Board

-Sd-

(RAJSHREE PATNI)
(DIRECTOR)
(DIN No. 06934858)

-Sd-

(HARISH CHAND JAIN)
MANAGING DIRECTOR
(DIN No. 01504391)

Dated : August 13, 2019

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

28-37, Banke Bihari Industrial Area,
Jatawali Mod, Maharkala Road, Dehra,
Teh.: Chomu, Distt. JAIPUR-303806
Dated : August 13, 2019

For and on Behalf of the Board

(RAJSHREE PATNI)
(DIRECTOR)
(DIN No. 06934858)

(HARISH CHAND JAIN)
MANAGING DIRECTOR
(DIN No. 01504391)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended 31.03.2019

[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,
28-37, Banke Bihari Industrial Area, Jatawali Mod,
Maharkala Road, Dehra, Teh.: Chomu, Distt. JAIPUR-303806**

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 Ltd** (CIN: L27107RJ1985PLC003370) (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 March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 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; - (Not Applicable to the Company during the Audit period)
- (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (There was no issue of securities during the period under review)
 - (d) The Securities and Exchange Board of India (Share based employee benefits) Regulations 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)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not Applicable to the Company during the Audit period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not Applicable to the Company during the Audit period)
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015.

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

1. Secretarial Standards as issued by the Institute of the Company Secretaries of India.
2. Listing Agreements entered into by the Company with Stock Exchanges

During the audit period under review and as per information and clarifications provided by the management, I hereby confirm that the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above subject to the observations as mentioned hereinabove.

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. No changes took place in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that an order dated 31.05.2017 seeking clarification regarding the financials filed by the company for the years 31/03/2008, 31/03/2014 & 31/03/2015, and dated 13.07.2017 seeking clarification regarding the financials filed by the company for the year 31/03/2009 was issued by the Ministry of Corporate Affairs to the Company under sub-section (2AA) of Section 217 of the Companies Act, 1956. A reply for the same was given to the Ministry in the adequate time period.

I further report that During the year the Company has filed REVISION PETITION UNDER SECTION 397 CRPC, 1973 AGAINST THE ORDER DATED 07.01.2019 PASSED IN COMPLAINT NO. 137/2018 filed by ROC against the Company, its Directors and KMP for committing offence under Section 134 (8) of The Companies Act, 2013 for violating the provisions of section 134(5)(a) of the Companies Act, 2013.

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.

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

Place: Jaipur

Date : 13.08.2019

Sd/-

For Megha Khandelwal & Associates

Company Secretaries

Megha Khandelwal

M.No. 35990

C.P. No.: 13405

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Annexure A

To
The Members
Rajasthan Tube Manufacturing Company Ltd
CIN: L27107RJ1985PLC003370
28-37, Banke Bihari Industrial Area, Jatawali Mod,
Maharkala Road, Dehra, Teh.: Chomu, Distt. JAIPUR-303806

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

Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

Place : Jaipur
Date : 13.08.2019

Sd/-
For Megha Khandelwal & Associates
Company Secretaries
Megha Khandelwal
M.No. 35990
C.P. No.: 13405

INDEPENDENT AUDITORS' REPORT

To
The Members of
RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Rajasthan Tube Manufacturing Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs (financial position) of the Company as at March 31, 2019 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

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

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

When we read the Final Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Responsibilities of Management and those charged with Governance for Financial Statements

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

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

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

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

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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- 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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Accounts) Rules, 2014.
 - e) On the basis of written representation received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 28 to the standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Jaipur
Dated : 30th May, 2019

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
Partner
(Membership No. 73380)

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 :

- I. (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.
- II. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- III. According to the information and explanations given to us the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- IV. 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 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 loans and investments made during the year.
- V. The company has not accepted any deposits from public.
- VI. 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- VII. 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, 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
RVAT ACT 2003	VAT	2013-2014	1130345	Appellate Authority

- 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, Service Tax.
- VIII. 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.
- IX. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- X. 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.
- XI. 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.
- XII. 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- XIII. 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.
- XIV. 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.
- XV. 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.
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Jaipur
Dated : 30th May, 2019

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
Partner
(Membership No. 73380)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Annexure B to the Independent Auditor's Report to the members of RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **Rajasthan Tube Manufacturing Company Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

Jaipur

Dated : 30th May, 2019

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
Partner
(Membership No. 73380)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2019**

Particulars	Note No.	As at 31.03.2019 (Rs.)	As at 31.03.2018 (Rs.)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	17044213	17947678
(b) Financial Assets			
(i) Investments	4	907000	907000
(ii) Loans	5	15196276	15196123
(c) Deferred tax assets (net)	6	11624939	11959996
(d) Other non-current assets	7	217562	217562
		-----	-----
Total Non-Current Assets		44989990	46228359
		-----	-----
Current assets			
(a) Inventories	8	151781819	123470341
(b) Financial Assets			
(i) Trade receivables	9	119786194	100380422
(ii) Cash and cash equivalents	10	284754	2842082
(iii) Bank balances other than (ii) above	11	0	3000000
(iv) Other Financial Assets	12	25520122	8818806
(c) Other current assets	13	1057054	1060306
Total Current Assets		298429943	239571957
		-----	-----
Total Assets		343419933	285800316
		-----	-----
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	44998500	44998500
(b) Other Equity	15	41007341	40517086
		-----	-----
Total Equity		86005841	85515586
		-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

LIABILITIES

Non-current liabilities

(a) Provisions	16(i)	423261	329749
		-----	-----
Total Non- Current Liabilities		423261	329749
		-----	-----

Current liabilities

(a) Financial Liabilities			
(i) Borrowings	17	203988343	149783332
(ii) Trade payables	18	50884581	48580094
(b) Other current liabilities	19	1532890	1177595
(c) Provisions	16(ii)	585017	413960
Total Current Liabilities		256990831	199954981
		-----	-----
Total Equity and Liabilities		343419933	285800316
		-----	-----

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENTS 1-45

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
PARTNER
(Membership No. 73380)

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

(RAJSHREE PATNI)
DIRECTOR
(DIN No. 06934858)

(PRADEEP JAIN)
CFO

(ANSHU GUPTA)
COMPANY SECRETARY
(Membership No. A55027)

JAIPUR,
30th May, 2019

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2019

		Note No.	For the Year 31.03.2019 (Rs.)	For the Year 31.3.2018 (Rs.)
I	Revenue From operations	20	767009230	772528274
II	Other Income	21	346123	237635
III	Total Income (I+II)		767355353	772765909
IV	EXPENSES			
	Cost of materials consumed	22	777718499	641609848
	Purchases of Stock-in-Trade	23	0	6217834
	Changes in inventories of finished goods, Stock-in-Trade and work in-progress	24	(52503711)	72485503
	Employee benefits expense	25	7316784	7520687
	Finance costs	26	20591756	22384475
	Depreciation and amortization expenses	3	982003	1073749
	Other expenses	27	12259710	14514417
	Total expenses (IV)		766365041	765806513
V	Profit/(loss) before exceptional items and tax (III-IV)		990312	6959396
VI	Exceptional Items		0	0
VII	Profit/ (loss) before tax(V-VI)		990312	6959396
VIII	Tax expense:			
	(1) Current tax		165000	350000
	(2) Deferred tax		335057	2813933
	Total Tax Expense		500057	3163933
IX	Profit/(loss) for the period (VII-VIII)		490255	3795463
X	Other Comprehensive Income		0	0
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		490255	3795463
XII	Earnings per equity share (Face value Rs.10/-each):			
	(1) Basic		0.10	0.84
	(2) Diluted		0.10	0.84

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENTS

1-45

As per our Report of even date Attached

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
PARTNER
(Membership No. 73380)

FOR AND ON BEHALF OF THE BOARD

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

(RAJSHREE PATNI)
DIRECTOR
(DIN No. 06934858)

(PRADEEP JAIN)
CFO

(ANSHU GUPTA)
COMPANY SECRETARY
(Membership No. A55027)

JAIPUR,
30th May, 2019

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

	Year Ended 31-3-2019	Year Ended 31-3-2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/Loss before Tax and Extra-ordinary items	990	6959
Adjustments For:		
Depreciation	982	1074
Profit/Loss on sale of Fixed Assets	-	-
Interest Received	(346)	(238)
Finance Cost	20592	22384
	-----	-----
Operating Profit before working Capital Changes	22218	30179
Adjustments for (increase)/ decrease in Operating Assets:		
Decrease/(Increase) in Trade and other Receivables	(19405)	8491
Decrease/(Increase) Inventories	(28311)	66975
Decrease/(Increase) in Long Term Loans and Advances	-	-
Decrease/(Increase) in Short Terms Loans & Advances	(16701)	20327
Decrease/(Increase) in Other Non-Current Assets	-	-
Decrease/(Increase) in Other Current Assets	3	96
Adjustments for increase/ (decrease) in Operating Liabilities:		
(Decrease)/Increase in Trade Payables	2304	(75052)
(Decrease)/Increase in Short Term Provisions	171	(9926)
(Decrease)/Increase in Long Term Provisions	93	329
(Decrease)/Increase in Other Current Liabilities	355	(1133)
	-----	-----
Cash Generated from Operations	(39273)	40286
Less: Income Tax Paid	165	350
	-----	-----
NET CASH FLOW FROM OPERATING ACTIVITIES	(39438)	39936
	-----	-----
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Increase)/Decrease in Property, Plant and Equipment including Capital Advances	(78)	(42)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Interest Received	346	238
Bank deposit not considered as cash and cash equivalents	3000	8650
Increase/(Decrease) in Long Term Borrowings	-	-
	-----	-----
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	3268	8846
	-----	-----
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Short Term Borrowings	54205	(24748)
Interest Paid	(20592)	(22384)
	-----	-----
NET CASH (USED IN)/ FROM FINANCING ACTIVITIES	33613	(47132)
	-----	-----
Net Increase/Decrease in Cash and Cash Equivalents(A+B+C)	(2557)	1650
Cash and Cash Equivalents at the beginning of the period	2842	1192
	-----	-----
Cash and Cash Equivalents at the end of the period	285	2842
	-----	-----

Note: Figures in Brackets Represent Outflows.

As per our Report of even date Attached

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENTS

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
PARTNER
(Membership No. 73380)

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

(RAJSHREE PATNI)
DIRECTOR
(DIN No. 06934858)

(PRADEEP JAIN)
CFO

(ANSHU GUPTA)
COMPANY SECRETARY
(Membership No. A55027)

JAIPUR,
30th May, 2019

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY For the year ended 31 March, 2019

A. Equity Share Capital

(Amount in Rs)

Balance as at 31.03.2017	Changes in equity share capital during the year	Balance as at 31.03.2018	Changes in equity share capital during the year	Balance as at 31.03.2019
44998500	0	44998500	0	44998500

B. Other Equity

(Amount in Rs)

Particulars	Reserve and Surplus				Other items of Other Comprehensive Income (Actuarial gain/loss)	Total
	General Reserve	Securities Premium Reserve	Investment Allowance Utilization Reserve	Retained Earning		
As at 1st April, 2017	6101636	16539000	1747490	12359997	0	36748123
Less : allotment money due towards premium account		26500				26500
Profit/ Loss for the period				3795463	0	3795463
As at 31st March, 2018	6101636	16512500	1747490	16155460	0	40517086
Profit/ Loss for the period				490255	0	490255
As at 31st March, 2019	6101636	16512500	1747490	16645715	0	41007341

SIGNIFICANT ACCOUNTING POLICIES
NOTE ON FINANCIAL STATEMENTS

1-45

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
PARTNER
(Membership No. 73380)

(HARISH CHAND JAIN)
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CFO

JAIPUR,
30th May, 2019

(ANSHU GUPTA)
COMPANY SECRETARY
(Membership No. A55027)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

I. NOTES:-1 TO 45: NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION:

Rajasthan Tube Manufacturing Company Limited ("the Company") is a Public limited company domiciled in India and incorporated under the provision of the Companies Act 1956 and listed on Bombay Stock Exchange. The registered office of the company is situated at 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Village Dehra, Teh. Chomu, District Jaipur-303806.

The Company is engaged in manufacturing and trading of Black and Galvanized ERW Steel Tubes and Pipes.

2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY:

(A) BASIS OF PREPARATION

(i) STATEMENT OF COMPLIANCE WITH IND AS:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under the companies (Indian accounting standards) Rules, 2015 as amended by the companies (Indian accounting standards) (Amendment) Rules 2016 notified under the Section 133 of the companies act, 2013 the relevant provisions of the companies act, 2013 ("the Act") and guidelines issued by the securities and exchange Board of India.

(ii) HISTORICAL COST CONVENTION

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) Certain financial assets and liabilities that are measured at fair value;
- 2) Assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) Defined benefit plans - plan assets measured at fair value as per Actuarial Valuation.

(B) USE OF ESTIMATES AND JUDGMENTS.

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(C) IMPAIRMENT OF NON-CURRENT ASSETS:

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

(D) **PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION:**

Property, Plant and Equipment are carried at cost less accumulated depreciation / amortization and impairment of losses if any, in the books of accounts. The company capitalized all costs incidental to acquisition and installation of fixed assets.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at April 1, 2016 measured as the previous GAAP (Indian GAAP) and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation

Depreciable amount for asset is the cost of an asset less its estimated residual value. Depreciation on Property, Plant and Equipment is charged on straight line method as per useful life of prescribed in Schedule II to the Companies Act, 2013 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 as per useful life of prescribed in Schedule II to the Companies Act, 2013.

From the date Schedule II of the Companies Act 2013 comes into effect, the carrying amount of the assets as on that date after retaining the residual value has been depreciated over the remaining useful life of the assets as per this Schedule.

Depreciation methods, useful lives and residual values are reviewed periodically, at each financial year end. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under non-current assets and the cost of assets not put to use before such date are disclosed under 'capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

(E) **VALUATION OF INVENTORIES:**

Inventories are measured at the lower of cost and the net realizable value. As per the consistent practice of the company, while valuing stocks, the relative impact/incidence of overheads has

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

been considered. Cost includes cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition and estimated apportioned overheads. Goods sent on Consignment held in stock have been valued at the Invoice Price. Cost of inventories are determined on FIFO basis.

Net realizable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

(F) REVENUE RECOGNITION:

Revenue is measured at the fair value of the consideration received or receivable.

Sales are recognized net of returns, rebate, claims, Freight and discount, on transfer of significant risk and reward of ownership to the buyer, which generally coincide with the delivery of good to the customers. Consignment Sales are recognized on receipt of statement of account from the Agent. Sales include excise duty but excludes sales tax / value added tax and GST.

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

Interest income is accounted on accrual basis. Dividend income if any is accounted on receipt basis.

(G) INVESTMENT:

Long term Investments are carried at cost less Provision for diminution other than temporary if any, in value of such investment. Reduction (Provision) is determined and made for each investment individually.

Current investments are carried in the financial statements are lower of cost and fair value. Fair value is determined either on an individual investment basis or by category of investment, but not on an overall basis.

(H) BORROWING COSTS:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

(I) EMPLOYEE BENEFITS:

- i) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss accounted of the year in which the related services are rendered.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Benefits such as salaries, bonus, incentives etc. are recognized in the period in which employees rendered services. Employee benefit such as PF, family pension, ESI etc. are treated as defined contribution plan and such contributions are charged to P&I account when contribution to the respective funds are applicable and due.

- ii) the company's liability on account of gratuity are determined at each financial year on the basis of actuarial valuation in respect of eligible employees.

(J) ACCOUNTING FOR TAXES ON INCOME:

- i) Provision for current tax is made on the basis of estimated tax liability as per the applicable provisions of tax laws.
- ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilized.

(K) CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit/ loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and cash at bank and demand deposits with bank.

(L) EARNING PER SHARE:

Basic earnings per share is calculated by dividing the net Profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. for the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(M) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

(N) CASH AND CASH EQUIVALENTS

Cash and cash equivalent in the Balance Sheet comprise cash at bank and on hand and short-term deposit with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(O) FINANCIAL INSTRUMENTS

The company recognizes the financial assets and financial liabilities when the recognition criteria of financial instrument as specified under Ind AS 109 is met.

FINANCIALS ASSET

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

Financial Asset at amortized cost

A 'Financial Asset' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss.

Financial Asset at Fair value through Other Comprehensive Income ("FVTOCI")

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI. Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income ("OCI")

Financial Asset at fair Value through Profit & Loss ("FVTPL")

FVTPL is a residual category for Financial Assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a Financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Derogisation of Financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized when the rights to receive cash flows from the asset have expired.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Impairment of financial assets

The company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by IND AS 109 Financial instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

FINANCIAL LIABILITIES

Initial recognition and measurement

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

Subsequent Measurement

Financial liabilities at fair value through profit or loss

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

Financial Liabilities at Amortized Cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

(P) SEGMENT REPORTING:

The Company at present is engaged in the business of manufacturing of ERW Steel Tubes, which constitutes a single business segment.

(Q) FAIR VALUE MEASUREMENT:

The Company measures some of its financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

III. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(R) CLASSIFICATION OF CURRENT / NON-CURRENT ASSETS AND LIABILITIES

All assets and liabilities are presented as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 Presentation of financial statements. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

(S) CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Property, plant and equipment

External adviser or internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable, the estimates and assumptions made to determine depreciation are critical to the Company's financial position and performance.

(b) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

(c) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(d) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

3. PROPERTY, PLANT AND EQUIPMENT

(Amount in Rs)

Particulars	Freehold land	Building	Plan & Machinery	Furniture & Fixture	Vehicles	Office Equipment	Tangible Total
Gross Block							
As at 1st April, 2017	4752650	23365669	50448136	352296	10981274	1059029	90959054
Addition						42324	42324
Deduction	-	-	-	-	-	-	-
As at 31 March, 2018	4752650	23365669	50448136	352296	10981274	1101353	91001378
Addition				26200		52338	78538
Deduction	-	-	-	-	-	-	-
As at 31 March, 2019	4752650	23365669	50448136	378496	10981274	1153691	91079916
Accumulated Depreciation							
As at 1st April, 2017	0	12226996	48382780	332375	10098008	939792	71979951
Depreciation for the year	0	529166	227795	2871	279097	34820	1073749
As at 31 March, 2018	0	12756162	48610575	335246	10377105	974612	73053700
Depreciation for the year	0	504618	227795	5360	188667	55563	982003
As at 31st March, 2019	0	13260780	48838370	340606	10565772	1030175	74035703
Carrying Value							
As at 31st March, 2019	4752650	10104889	1609766	37890	415502	123516	17044213
As at 31st March, 2018	4752650	10609507	1837561	17050	604169	126741	17947678
As at 1st April, 2017	4752650	11138673	2065356	19921	883266	119237	18979103
Useful Life of Assets	-	30-60 year	15 year	10 year	8-10 year	5 year	-

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
4. INVESTMENTS(NON-CURRENT)		
INVESTMENT IN EQUITY INSTUMENTS		
UNQUOTED- OTHERS		
(Valued at Coat unless stated otherwise)		
(A) 54500 (31 st March 2018:54500 Equity Shares of Tridev Finance Company Limited of Rs.10/- each fully paid up (Fair value of Unquoted Investment as on 31st March 2018 : 545000)	545000	545000
(B) INVESTMENT IN GOVERNMENT SECURITIES(Unquoted-Others) At Amortised Cost		
N.S.C. *	362000	362000
	-----	-----
TOTAL	907000	907000
	-----	-----
UNQUOTED		
Aggregate Carrying Value	907000	907000
TOTAL INVESTMENT AT COST/FAIR VALUE	907000	907000
	-----	-----
* Pledged with Commercial Tax Department.		
5. LOANS (UNSECURED,CONSIDERED GOOD)		
PARTICULARS		
SECURITIES DEPOSIT	15196276	15196123
	-----	-----
TOTAL	15196276	15196123
	-----	-----
The amounts due by:		
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private Companies in which any Director is Partner or Director or a Member	NIL	NIL

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
6. DEFERRED TAX ASSETS (NET)		
DEFERRED TAX ASSETS		
Difference between carrying amount of fixed assets in the financial statement and the income tax computation and Tax effect of Unabsorbed Loss & Depreciation	11624939	11959996
	-----	-----
TOTAL	11624939	11959996
	-----	-----
7. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)		
INTEREST ACCRUED ON NSC	217562	217562
	-----	-----
TOTAL	217562	217562
	-----	-----
8. INVENTORIES		
AT LOWER OF COST OR NET REALIZABLE VALUE		
RAW MATERIAL	11389343	35601576
STOCK -IN-PROCESS	34519830	4218979
FINISHED STOCK	97025827	74822967
STORES	8660500	8640500
SPARES LOOSE TOOLS	186319	186319
	-----	-----
TOTAL	151781819	123470341
	-----	-----
BREAK UP OF INVENTORIES		
RAW MATERIAL		
HR COILS	11309393	35521626
OTHERS	79950	79950
	-----	-----
	11389343	35601576
	-----	-----
STOCK IN PROCESS		
SLITTED HR COILS	34519830	4218979
FINISHED GOODS		
MS PIPES	97025827	74822967

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
9. TRADE RECEIVABLES		
Unsecured, Considered Good	119786194	100380422
Considered Doubtful	0	0
	-----	-----
Total	119786194	100380422
	-----	-----

**Ageing of receivables that are past due but not impaired
(UNSECURED, CONSIDERED GOOD)**

DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS	7792368	14123959
OTHER DEBTS	111993826	86256463
	-----	-----
TOTAL	119786194	100380422
	-----	-----

The Amount Dues by:

Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or Private Companies in which any Director is Partner or Director or a Member	NIL	NIL

Note: Trade receivables have been given as collateral towards borrowings from Bank.

**10 CASH AND CASH EQUIVALANTS
BALANCE WITH BANK**

IN CURRENT ACCOUNT	27357	36805
IN TERM DEPOSIT ACCOUNT WITH MATURITY LESS THAN 3 MONTHS AT INCEPTION (Pledged with Bank as Margin Money)	0	60832
CASH ON HAND	257397	2744445
	-----	-----
TOTAL	284754	2842082
	-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALANTS		
WITH MATURITY MORE THAN 12 MONTHS AT INCEPTION (Pledged with Bank as Margin Money)	0	3000000
	-----	-----
TOTAL	0	3000000
	-----	-----
12. OTHER FINANCIAL ASSETS		
PREPAID EXPENSES	564659	1057358
OTHER ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	24955463	7761448
	-----	-----
TOTAL	25520122	8818806
	-----	-----
13. OTHER CURRENT ASSETS		
INTEREST ACCRUED ON FDR	0	23661
TDS RECEIVABLE	1057054	1036645
	-----	-----
TOTAL	1057054	1060306
	-----	-----
14. SHARE CAPITAL		
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
	-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
Reconciliation of Number of Shares Outstanding at the beginning and at the end of the reporting year		
	Number of Shares	Number of Shares
Equity Shares		
Opening Balance	45,07,800	45,07,800
Changes During The year	0	0
	-----	-----
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 per value of Rs. 10/- 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 :

Equity Shares	Number of Share (%)	Number of Share (%)
TRIDEV FINANCE COMPANY LIMITED	378655(8.40%)	545938(12.11%)
HARISH CHAND JAIN	726123(16.11%)	532158(11.81%)
DEEPIKA MANAK CHAND JAIN	442528(9.82%)	443078(9.83%)
BINOD KUMARTHOLIYA HUF	412547(9.15%)	412547(9.15%)
SAURABH JAIN	338822(7.52%)	338822(7.52%)
RAJSHREE PATNI	243219(5.40%)	243219(5.40%)

(c) During the period of five financial years immediately preceding the Balance Sheet date, the Company has not:

- I. altered any fully paid up equity shares by way of Bonus Shares;
- II. altered any equity shares pursuant to any contract without payment being received in cash;
- III. brought back any equity shares

(D) The Company has calls in arrears /unpaid calls amounting to 79500/-, however it does not have any outstanding calls due from directors and officers of the company.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
15. OTHER EQUITY		
General Reserve		
Opening balance	6101636	6101636
	-----	-----
	6101636	6101636
	-----	-----
Securities Premium Account		
Opening balance	16539000	16539000
Less : allotment Money due towards Premium account	26500	26500
	-----	-----
	16512500	16512500
	-----	-----
Investment Allowance Utilization Reserve	1747490	1747490
Surplus in Statement of Profit and Loss		
Opening balance	16155460	12359997
Add : Profit/(Loss) for the year	490255	3795463
	-----	-----
	16645715	16155460
	-----	-----
Total	41007341	40517086
	-----	-----
16. PROVISIONS		
(i) Non-Current		
PROVISION FOR GRATUITY	423261	329749
	-----	-----
	423261	329749
	-----	-----
(ii) Current		
PROVISION FOR AUDIT FEES	63000	63000
PROVISION FOR TAXATION	515000	350000
PROVISION FOR GRATUITY	7017	960
	-----	-----
	585017	413960
	-----	-----
17. BORROWINGS		
Current		
SECURED LOANS FROM BANKS (Note no. (i)) ON CASH CREDIT ACCOUNT (WITH SBI)	203988343	149783332
	-----	-----
Total	203988343	149783332
	-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

As at 31
March, 2019 **As at 31**
March, 2018

NOTE :

- (i) 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.

18. TRADE PAYABLES

Trade Payables*	50884581	48580094
	50884581	48580094
Total	50884581	48580094
	50884581	48580094

* Refer note no. 33 for Disclosure under Micro, Small and Medium enterprises Development Act.

19. OTHER CURRENT LIABILITIES

TDS PAYABLE	1353	15930
OTHER LIABILITIES	1531537	1161665
	1532890	1177595
	1532890	1177595

20. REVENUE FROM OPERATIONS

	Year Ended 31.03.2019	Year Ended 31.03.2018
SALES OF GOODS	767009230	794362329
Excise duty	0	(21834055)
	767009230	772528274
	767009230	772528274

21. Other Income

INTEREST ON BANK DEPOSIT	155167	183710
OTHER INTEREST	190956	53925
	346123	237635
	346123	237635

22. COST OF MATERIAL CONSUMED

INDIGENOUS	777718499	641609848
	777718499	641609848
	777718499	641609848

BREAKUP OF RAW MATERIAL CONSUMED

HR COILS NAD PIPES	777718499	641609848
	777718499	641609848
	777718499	641609848

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
23. PURCHASES OF STOCK IN TRADE		
Purchase	0	6217834
	-----	-----
	0	6217834
	-----	-----
24. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK- IN-TRADE		
INVENTORIES (AT OPENING)		
FINISHED GOODS	74822967	92652322
STOCK-IN-PROCESS	4218979	58875127
	-----	-----
	79041946	151527449
	-----	-----
INVENTORIES (AT CLOSING)		
FINISHED GOODS	97025827	74822967
WORK-IN-PROGRESS	34519830	4218979
	-----	-----
	131545657	79041946
	-----	-----
	(52503711)	72485503
	-----	-----
25. EMPLOYEES BENEFIT EXPENSES		
SALARIES WAGES AND BONUS	7025623	7099540
STAFF WELFARE EXPENSES	152752	46870
ESI CONTRIBUTION	10700	11529
PROVIDENT FUND	28140	32039
GRATUITY EXP	99569	330709
	-----	-----
	7316784	7520687
	-----	-----
26. FINANCE COSTS		
INTEREST	20591756	22384475
	-----	-----
	20591756	22384475
	-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2019	As at 31 March, 2018
27. Other Expenses		
CONSUMPTION OF STORES AND SPARE PARTS	2380866	1720666
POWER AND FUEL	4413119	4634992
RATE AND TAXES	288433	366904
REPAIRING MAINTENANCE OF PLANT & MACHINERY	25000	14609
LEGAL AND PROFESSIONAL AND CONSULTANCY CHARGES	190608	106040
INSURANCE	373893	405218
TRAVELLING AND CONVEYANCE	91174	213404
PRINTING AND STATIONERY	63402	41894
POSTAGE, TELEGRAM & TELEPHONE	127578	156516
BANK COMMISSION	64017	1051818
CONSIGNMENT COMMISSION & OTHER EXPENSES	0	9678
MISCELLANEOUS EXPENSES	630764	1122418
BOARD MEETING EXPENSES	41250	35250
REMUNERATION TO AUDITOR'S	45000	45000
COST AUDIT FEES	18000	18000
VEHICLE RUNNING & MAINTENANCE	3506606	4572010
	12259710	14514417

II. NOTES ON FINANCIAL STATEMENT :

	As at 31.03.2019	As at 31.03.2018
28. Contingent Liabilities not provided for:		
(i) Guarantee given by Bank against which the Directors have given counter guarantees.	—	30600000
(ii) Letter Credit Outstanding	—	—
(iii) Other contingent liabilities		
(a) Claims against the company not acknowledged as debt	NIL	NIL
(b) Disputed Sales tax	1130345	1130345
(c) For Case filed by ROC u/s 134 (5)(a)	500000	—
(iv) Commitments	NIL	NIL

29. During the year the Company has filed REVISION PETITION UNDER SECTION 397 CRPC, 1973 AGAINST THE ORDER DATED 07.01.2019 PASSED IN COMPLAINT NO. 137/2018 filed by ROC against the Company, its Directors and KMP for committing offence under Section 134 (8) of The Companies Act, 2013 for violating the provisions of section 134(5)(a) of the Companies Act, 2013. The maximum penalty under this section can be Rs. 500000. No provision is considered necessary by the Management.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	Year Ended 31.03.2019	Year Ended 31.03.2018
30. Payment to Auditors	Current Year	Previous Year
(i) Audit Fees	18500	18500
(ii) Tax Audit	11000	11000
(iii) Reimbursement of Expenses	15500	15500

(31) There is no pending encashment of leave of employees at the end of year hence no provision is required. In earlier years, the Company did not make any provisions as per AS-15 in the books of accounts as none of the employee has completed prescribed year of service. However, the company has made provisions in the books of accounts for gratuity on the basis of actuarial valuation as per Ind AS-19. The particulars under the Ind AS -19 furnished below are those which are relevant and available to company for the current year 2018-19 as per actuarial certificate.

Assumptions as at	31/03/2019
Average Past Service(years)	1.8
Average Future service(years)	19.9
Average Age	40.1
Weighted Average Duration(based on discounted cash flows) in years	22
Average Monthly Salary	20978
Discount Rate	7.75% Per annum
Salary Growth Rate	5.00% Per annum
Mortality	IALM2006-08 Ultimate
Expected Rate of Return	0
Withdrawal Rate(Per annum)	5.00% P.A.
Withdrawal Rate(Per annum)	
Withdrawal Rate(Per annum)	
Benefits Valued	31/03/2019
Normal Retirement Age	60 Years
Salary	Last drawn qualifying Salary
Vesting Period	5 Years of Service
Benefits on Normal Retirement	15/26*Salary*Past Service(yr)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply
Limit	2000000
Current Liability	31/03/2019
Current Liability (Short Term) *	7017
Non-Current Liability (Long Term)	423261
Total Liability	430278

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (32)** Provision for taxation if any 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. In the opinion of Management there has been significant improvement in the business and economic conditions post demonetization and there is expectation of lowering of interest rate too, which will result in sufficient future taxable Profits. Hence, deferred tax has been recognized.
- (33)** The Company has no amounts payable to Micro and Small Enterprises as defined in section 7(1) of the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.
- (34)** The Company has only one segment i.e., manufacturing of ERW steel tubes, therefore segment reporting as required under Ind-AS 108 is considered as not applicable.

(35) Related Party Transactions:

A) List of related parties where transactions have taken place :

S.NO	NAME OF RELATED PARTY	NATURE OF RELATIONSHIP
1.	Key Managerial Personnel a. Harish Chand Jain b. Pradeep Jain	Managing Director Chief Financial Officer
2.	Relative of Key Managerial Personnel a. Mr. Saurabh Jain b. Mrs. Rajshree Patni	Son of Managing Director Daughter-in-law of Managing Director
3.	Enterprises over which Key Managerial Personnel and relatives of such Personnel exercises significant influences.	a. Tridev Finance Company Limited

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

B) Transactions with related parties :-

Particulars	KMP	Relative of KMP	Enterprises over which Key Managerial Personnel and relatives of such Personnel exercises significant influences
Compensation paid to KMP:			
Salary Paid			
1. Harish Chand Jain	720000/- Pa (720000/- Pa)	- -	- -
2. Predeep Jain	(480000/- Pa) (480000/- Pa)	- -	- -
Compensation paid to Relative to KMP:			
Salary Paid :			
3. Saurabh Jain	- -	480000/- Pa (480000/- Pa)	- -
Sitting fees			
1. Harish Chand Jain	8250/- (6000/-)	- -	- -
2. Rajshree Patni	- -	8250/- (6000/-)	- -
Loans and Advances made/ repayment			
1. Tridev finance Co.Ltd.	- -	- -	NIL (NIL)
Amount outstanding pertaining to related parties at the Balance Sheet Date :			
Investment in Equity Share			
1. Tridev finance Co.Ltd.	- -	- -	Rs. 545000/- (Rs. 545000/-)
Interest Paid to			
Tridev finance Co.Ltd.	-	-	NIL (NIL)

Figures shown in bracket () indicates previous year figures.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(36) 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.

(37) Tax deducted at source on interest income included in other income is 15524/- (previous year Rs. 24885/-)

(38) Earning Per Share

S.No.	Particulars	As on 31.03.2019	As on 31.03.2018
A.	Profit/(Loss) after tax :- Numerator	490255	3795463
B.	Weighted average No. of equity shares:- Denominator	4507800	4507800
C.	Nominal value of shares	10/-	10/-
D.	Earnings Per share (Basic & Diluted) (A/B)	0.10	0.84

(39) Additional information :

A) Composition of Raw Materials Consumption:

Raw Material consumption	2018-2019		2017-2018	
A) Raw Material consumption	Value	Percentage	Value	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	777718499	100	641609848	100

B) Value of Imports on CIF Basis:

Particulars	2018-2019	2017-2018
Raw Materials	NIL	NIL

C) Earning in Foreign Currency:

Particulars	2018-2019	2017-2018
F.O.B. Value of Export	NIL	NIL

D) Expenditure in Foreign Currency (on payment basis):

Particulars	2018-2019	2017-2018
Expenditure in Foreign Currency (on payment basis):	NIL	NIL

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (40) Pursuant to Ind AS-37, Provisions, Contingent Liabilities and Contingent Assets, the disclosure relating to provisions made in the accounts for the year ended 31st March, 2019 is as follows:

Provision for Excise Duty and Audit Fees

Particulars	2018-19	2017-18
Opening Balance	63000	10339703
Additions	63000	63000
Payments	63000	45000
Reversals	—	10294703
Closing Balance	63000	63000

Provision for Gratuity

Particulars	2018-19	2017-18
Current		
Opening Balance	960	0
Additions	6057	960
Payments	0	0
Reversals	0	0
Closing Balance	7017	960
Non- Current		
Opening Balance	329749	0
Additions	93512	329749
Payments	0	0
Reversals	0	0
Closing Balance	423261	329749

(41) Statement of Management

- (A) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (B) Balance Sheet and Statement of Profit and Loss read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

(42) Financial risk management:

Financial risk factors The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

(A) Market Risk :-

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Credit risk Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

(B) Liquidity Risk :-

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes.

Risk management is carried out by the treasury department under policies approved by the board of directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (43) These financial statements were approved and adopted by board of directors of the Company in their meeting dated May 30, 2019.
- (44) Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.
- (45) Notes 1 to 44 are annexed to and form an integral part of financial statements.

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

For **GIRIRAJ & LOHIYA**
Chartered Accountants
(FRN-006031C)

(GIRIRAJ PRASAD)
PARTNER
(Membership No. 73380)

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

(RAJSHREE PATNI)
DIRECTOR
(DIN No. 06934858)

(PRADEEP JAIN)
CFO

JAIPUR,
30th May, 2019

(ANSHU GUPTA)
COMPANY SECRETARY
(Membership No. A55027)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Regd. Office : 28-37, Banke Bihari Industrial Area, Jatawali Mod,
Maharkala Road, Dehra, Chomu, JAIPUR-303806
CIN : L27107RJ1985PLC003370

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 33rd ANNUAL GENERAL MEETING on Saturday 28th September, 2019 at 10.00 A.M. at 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Dehra, Chomu, JAIPUR-303806

(IN BLOCK LETTERS)

NAME AND ADDRESS OF THE SHARE HOLDER

NAME OF THE PROXY HOLDER

SIGNATURE OF THE SHAREHOLDER/PROXY

Ledger Folio No., No.of Share held

DP Id No. Client Id.No.

Notes :

Only Member/Proxy can attend the meeting.

Member/Proxy who wish to attend the meeting bring this attendance slip to the meeting and hand it over at the entrance of the meeting hall.

Member/Proxy should bring his/her copy of Annual Report for reference at the meeting.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

FORM OF PROXY

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Regd. Office : 28-37, Banke Bihari Industrial Area, Jatawali Mod,

Maharkala Road, Dehra, Chomu, JAIPUR-303806

CIN : L27107RJ1985PLC003370

Name of the member(s) :

Registered address :

E-mail Id :

Folio No./ Client ID :

DP ID :

I/We, being the member (s) of _____ equity shares of the above named company, hereby Appoint

1. Name of the member (s) : _____ E-mail ID : _____

Address : _____

Signature: _____

or failing him/her

2. Name of the member (s) : _____ E-mail ID : _____

Address : _____

Signature: _____

or failing him/her

3. Name of the member (s) : _____ E-mail ID : _____

Address : _____

Signature: _____

or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on Saturday the 28th day of September, 2019 at 10.00 a.m. at the registered office of the Company situated at 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Village Dehra, Tehsil Chomu, Jaipur -303806 and at any adjournment thereof in respect of such resolutions as are indicated below:

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Resolution No./Subject Matter of the Notice

S.No.	Particulars
ORDINARY BUSINESS	
1	To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors along with requisite annexures and Auditors thereon.
2.	To appoint a Director in place of Mrs. Rajshree Patni (DIN: 06934858), who retires by rotation and being eligible, offers herself for reappointment.
SPECIAL BUSINESS	
3.	Re-appointment of Mr.Mahendra Kumar Jain as an Independent Director
4.	Re-appointment of Mr. Deepesh Jain as an Independent Director
5.	Appointment of Mr.Shashank Jain as an Independent Director
6.	Re-appointment of Mr.Harish Chand Jain as Managing Director
7.	Approve the remuneration of the Cost Auditors for the financial year ending March 31, 2020.

Signed this day of 2019.

Signature of shareholder

Signature of Proxy holder(s)

One Rupee
Revenue
Stamp

Note : This Form in order to be effective should, completed and must be deposited within 48 hours in the Registered Office of the Company.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**FORM NO. MGT.12****Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

Registered office : 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Dehra, Chomu, Jaipur-303806

BALLOT PAPER

S.No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

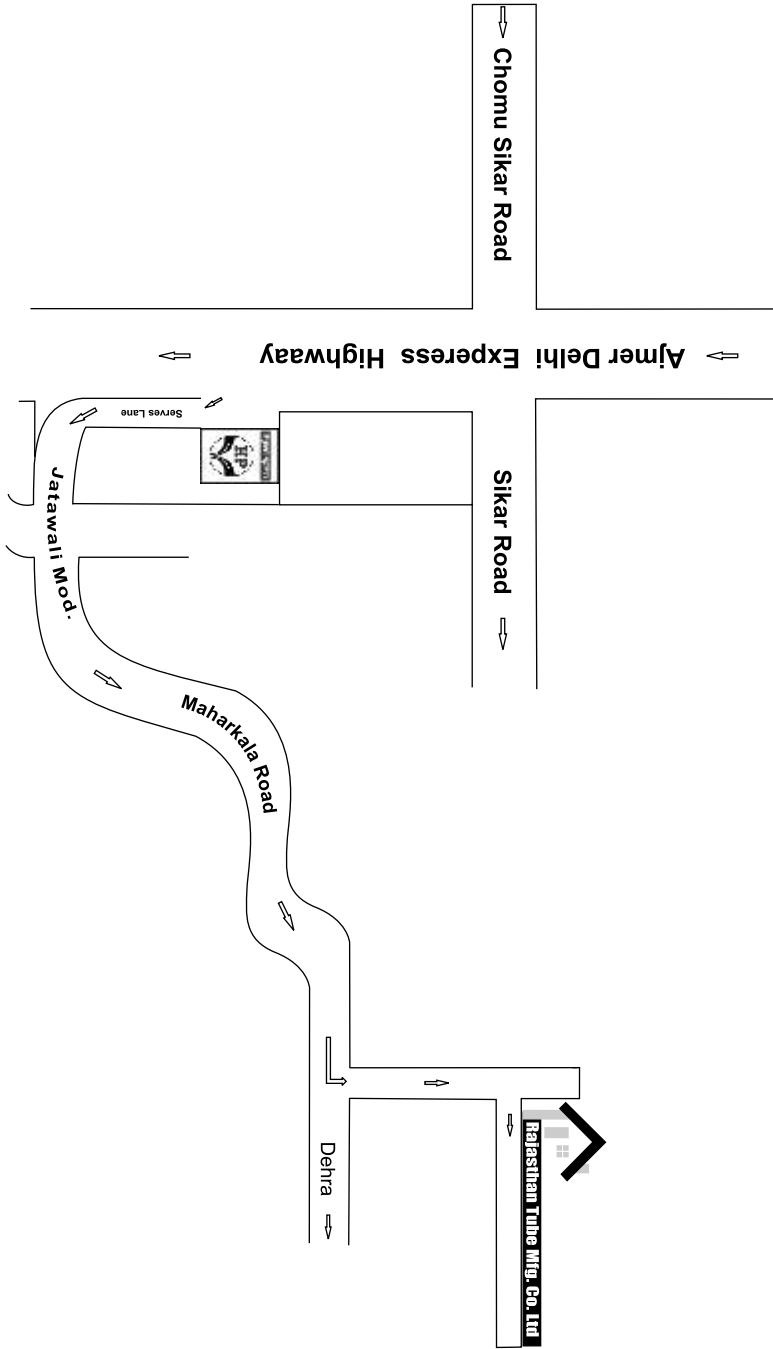
No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors along with requisite annexures and Auditors thereon			
2.	To appointment of a Director in place of Mrs. Rajshree Patni (DIN: 06934858), who retires by rotation and being eligible, offers herself for reappointment.			
3.	Re-appointment of Mr. Mahendra Kumar Jain as an Independent Director			
4.	Re-appointment of Mr. Deepesh Jain as an Independent Director			
5.	Appointment of Mr. Shashank Jain as an Independent Director			
6.	Re-appointment of Mr. Harish Chand Jain as Managing Director			
7.	Approve the remuneration of the Cost Auditors for the financial year ending March 31, 2020			

Place :

Date :

(Signature of the shareholder)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED



BOOK POST

If undelivered please return to :
RAJASTHAN TUBE MANUFACTURING COMPANY LTD.
28-37, BANKE BEHARI INDUSTRIAL AREA, JATAWALI MOD,
MAHARKALA ROAD, DEHRA, Teh. : CHOMU.
Distt. JAIPUR (Raj.) 303 806