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**RELIABILITY,  
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LOYALTY**



# **ANNUAL REPORT 2020-2021**



**Rajasthan Tube**  
**Manufacturing Company Ltd.**

# **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

CIN: L27107RJ1985PLC003370

### **BOARD OF DIRECTORS:**

SHRI HARISH CHAND JAIN  
SMT RAJSHREE JAIN  
SHRI DEEPESH JAIN  
SHRI MAHENDRA KUMAR JAIN

(MANAGING DIRECTOR)  
(DIRECTOR)  
(INDEPENDENT DIRECTOR)  
(INDEPENDENT DIRECTOR)

### **STATUTORY AUDITORS:**

GIRIRAJ & LOHIYA  
CHARTERED ACCOUNTANTS  
JAIPUR

### **SECRETARIAL AUDITOR**

PRITI G. & ASSOCIATES  
COMPANY SECRETARY  
JAIPUR

### **CHIEF FINANCIAL OFFICER**

SHRI PRADEEP JAIN  
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 Bihari Industrial Area,  
Jatawali Mod, Maharkala Road,  
Dehra, Teh.: Chomu, Jaipur-303806

### **E-MAIL ID FOR INVESTORS GRIEVANCE**

(1) [scores@beetalfinancial.com](mailto:scores@beetalfinancial.com)  
(2) [rajtube@hotmail.com](mailto:rajtube@hotmail.com)

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED NOTICE

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting ("AGM") of Rajasthan Tube Manufacturing Company Limited ("the Company") will be held on Saturday, 25<sup>th</sup> day of September 2021, at 11.00 AM (IST) through Video Conferencing (VC) or Other Audio Visual means (OAVM) to transact the businesses mentioned below. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2021, the reports of the Board of Directors along with requisite annexures and Auditors thereon.

2. To appoint a director in place of Mrs. Rajshree Jain (DIN 06934858), who retires by rotation and, being eligible, seeks re-appointment.

3. To re-appoint the Statutory Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 139, and other applicable provisions of the Companies Act, 2013 if any, read with the Companies (Audit & Auditors) Rules, 2014, as amended from time to time, M/s Giriraj & Lohiya, Chartered Accountants (Firm Registration No. 006031C) the retiring auditors be and are hereby reappointed as the Statutory Auditors of the Company to hold office for second term of five consecutive years from the conclusion of this Annual General Meeting until the conclusion of the 40<sup>th</sup> Annual General Meeting of the Company at such remuneration and terms and conditions as set out in the explanatory statement to this Notice"

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be deemed necessary or expedient in connection therewith and incidental thereto."

### **SPECIAL BUSINESS:**

4. To Ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2022 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. M.Goyal & Company, (Firm Registration No. 000051), Cost Auditors of the Company, for the financial year 2021-22, as approved by the Board of Directors of the Company, be and is hereby ratified."

August 13, 2021

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

By Order of the Board of Directors

sd/-  
**Anshu Gupta**  
Company Secretary  
ICSI Membership No.: A55027



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to General Circular No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ('MCA Circulars') and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated 15th January 2021 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), physical attendance of the Members to the AGM venue is not permitted and AGM be convened through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC only.
2. In accordance with the said circulars of MCA, SEBI and with applicable provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the 35<sup>th</sup> AGM of the Company is being conducted through VC/OAVM. Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-voting, for participation in the AGM through VC and e-voting during the AGM. The procedure for voting through remote e-voting, e-voting during AGM and participating in AGM through VC is explained at Notes below and is also available on the website of the Company at [www. rajtube.com](http://www.rajtube.com).
3. The deemed venue for the 35<sup>th</sup> AGM shall be the Registered Office of the company i.e., 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Dehra, Chomu, Jaipur-303806.
4. Pursuant to the relevant MCA circulars, the facility for members to appoint proxy to attend and cast vote is not available for this AGM since physical presence at a common venue is not required. Hence, the proxy form, attendance slip and route map are not annexed to this notice.
5. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in respect of item number 3 and 4 the information required pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations'), read with secretarial standards 2 issued by ICSI, regarding the Directors seeking appointment/re-appointment in the Annual General Meeting are annexed hereto and both forms part of the Notice.
6. Pursuant to Section 113 of the Act, Corporate Members intending to attend the AGM through their authorized representatives are requested to send a Certified True Copy of the Board Resolution, authorizing its representative to attend and vote on their behalf at the AGM. The said Resolution/Authorization shall be sent to the Company by e-mail through its registered e-mail address at [rajtube@hotmail.com](mailto:rajtube@hotmail.com). Corporate members may refer to "Note for Non – Individual Shareholders and Custodians" appearing at the end of this notice and follow the instructions mentioned for voting and participation at the AGM.



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7. In accordance with, the above referred circulars, owing to the difficulties involved in dispatching of physical copies of the Annual Report comprising Financial Statements, Board's Report, Auditor's Reports and other documents required to be attached therewith, the Annual Report for 2020- 21 and the Notice of this AGM are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or the Depository Participant(s) as on 27<sup>th</sup> August,2021. Members may note that the Notice and Annual Report for FY 2020-21 will also be available on website of the Company, i.e. [www.rajtube.com](http://www.rajtube.com), website of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). Notice of AGM is also available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
8. All the documents referred to in this Notice and Statement under Section 102 of the Act, shall be available for inspection by the Members from the date of circulation of this Notice upto the date of the AGM through electronic mode. Members seeking inspection can send an email in advance to [rajtube@hotmail.com](mailto:rajtube@hotmail.com)
9. The Members who have not yet registered their E-mail addresses are requested to register their E-mail addresses for receipt of Notice of 35<sup>th</sup> AGM and Annual Report and login details for joining the 35<sup>th</sup> AGM through VC/ OAVM including e-voting by providing Name, folio number/ DPID & Client ID (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), client master or copy of consolidated Account statement (in case of demat holding) or copy of share certificate (in case of physical holding), self attested scanned copy of Aadhar Card or any other document as proof of address to Company: [rajtube@hotmail.com](mailto:rajtube@hotmail.com) or to RTA: [brrtalrta@gmail.com](mailto:brrtalrta@gmail.com) Upon such Registration, all communication from the Company/ RTA will be sent to the registered E-mail address.
10. Members are requested to refer any change of address among others.:
  - a. To the Company's Registrar in respect of their physical share folios.
  - b. To their Depository Participants (DPs) in respect of their electronic demat accounts as the Company is obliged to print the bank details on the dividend warrant as furnished by NSDL/CDSL.
11. Process for registration of e-mail ID for obtaining Annual Report in electronic mode and User ID/password for E-voting is annexed to this Notice and also available at the website of the company i.e. [www.rajtube.com](http://www.rajtube.com)
12. In case of joint holders attending the meeting, the members 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.
13. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote during the AGM through E-voting for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM.
14. The Member whose name appears on the Register of Members/Beneficial Owners maintained by the Company/RTA/Depositories as on cutoff date i.e., 18<sup>th</sup> September,2021 will only be considered for the purpose of Remote e-voting and E-voting.
15. Any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e., 18<sup>th</sup> September,2021 may follow the same instructions as mentioned for e-voting/ remote e-voting.

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16. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
17. As per Regulation 40 of SEBI (LODR) Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. Hence, the Members holding shares in physical form are requested to consider converting their holdings in the dematerialized form. The Members who are desirous to convert their physical holdings into dematerialized form, may contact the Depository Participant of their choice.
18. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 19<sup>th</sup> September, 2021 to 25<sup>th</sup> September, 2021 (both days inclusive).
19. Details of Directors seeking appointment/ re-appointment in the AGM pursuant to the Secretarial Standard on General Meetings (SS2) and Regulations 26(4) and 36(3) of the SEBI Listing Regulations are attached with this Notice as "**Annexure-A**".
20. Members desiring any information/ clarification on the financial statements or any other matter to be placed at the AGM are requested to write to the Company at an early date through an E-mail [onrajtube@hotmail.com](mailto:onrajtube@hotmail.com), specifying his/her name along with Demat account details. The same will be replied by the Company suitably.
21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the Members during the AGM upon login at CDSL e-voting system at [www.evotingindia.com](http://www.evotingindia.com)
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to intimate immediately their PAN, any change in their address, E-mail id, Mobile No. or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN, E-mail id, Mobile No. or advise any change in their address or bank mandates immediately to the Company/ Registrar and Transfer Agent (RTA) i.e. Beetal Financial and Computer Services Pvt. Ltd.
- 23. Cut-off Date for E-voting:**
- The remote e-voting /voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-off Date i.e., 18<sup>th</sup> September 2021 only.
  - A person who is not a member as on the Cut-off Date should treat this Notice for information purposes only.
- 24. Voting at the AGM:**  
Members who could not vote through remote e-voting may avail the e-voting facility as shall be provided during the AGM.



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## 25. Voting through electronic means / Remote e-voting:

The Company is pleased to provide the facility of voting by electronic means viz. 'remote e-voting' M/s Central Depository Services Limited, for the eligible members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the Notice of the AGM.

- a. The remote e-voting period begins on 22<sup>nd</sup> September 2021 at 10:00 AM (IST) and ends on 24<sup>th</sup> September 2021 at 5:00 PM (IST). During this period members of the Company, as on the Cut-Off Date i.e., 18<sup>th</sup> September 2021, may cast their votes electronically. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- b. The remote e-voting module shall be disabled by Company's Registrar for voting at 5:00 PM (IST) on 24<sup>th</sup> September 2021.

## 26. The instructions for shareholders for remote e-voting are as under:

- (i) The voting period begins on 22<sup>nd</sup> September, 2021 at 10:00 a.m. and ends on 24<sup>th</sup> September 2021 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 18<sup>th</sup> September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue
- (iii) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers</li> </ol>

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	<p>i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>



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Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**(iv) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p>
<b>OR</b> Date of Birth (DOB)	<ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### (xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [rajtube@hotmail.com](mailto:rajtube@hotmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. **For Physical shareholders-** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. **For Demat shareholders -**, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. **For Individual Demat shareholders –** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

### **27. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for E-voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL E-voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login tab by using the Remote e-voting credentials. The link for VC/OAVM will be available 30 minutes before the scheduled time of AGM in shareholder/members login tab where the EVSN of Company will be displayed.
3. Only those Members, who are present in the AGM through VC/OAVM and have not casted their vote on the Resolutions through Remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system available during the AGM.
4. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
5. Members who have voted through Remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
7. Members are encouraged to join the AGM through Laptops/I Pads for better experience.
8. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.
9. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
10. The Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail Id mentioning their name, demat account number/folio number, email id, mobile number at [rajtube@hotmail.com](mailto:rajtube@hotmail.com) up to September 21, 2021 (IST 5.00 p.m.). The Members who do not wish to speak during the AGM but have queries may send their queries from their registered e-mail Id mentioning their name, demat account number/folio number, email id, mobile number at [rajtube@hotmail.com](mailto:rajtube@hotmail.com) up to September 21, 2021 (IST 5.00 p.m.). These queries will be replied by the Company suitably by email.
11. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

28. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut off date i.e., 18<sup>th</sup> September, 2021 and who has not cast vote by remote-voting and being present at the AGM only shall be entitled to vote at the AGM And his vote, if any, cast at the Meeting shall be treated as invalid.
29. The voting rights of the members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut off date of 18<sup>th</sup> September, 2021 and a person who is not a member as on a cut off date should treat the Notice for information purpose only.
30. 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.
31. The results declared along with the report of the Scrutinizer shall be placed on the Company's website [www.rajtube.com](http://www.rajtube.com) and on the website of M/s Central Depository services Limited <https://www.evotingindia.com/> immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the concerned Stock Exchange.

**By Order of the Board of Directors**

August 13, 2021

Registered Office:

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

**Anshu Gupta  
Company Secretary  
ICSI Membership No.: A55027**



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

### **Item No. 3**

In accordance with the provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 ('the Act'), M/s. Giriraj & Lohiya were appointed as the Statutory Auditors of the Company at the 30<sup>th</sup> Annual General Meeting ('AGM') held on 24<sup>th</sup> September, 2016 for a term of 5 years i.e., to hold office upto the conclusion of 35<sup>th</sup> AGM to be held in the financial year 2021-22. M/s. Giriraj & Lohiya would be completing 5 years as the Statutory Auditors of the Company at this AGM. In accordance with Section 139(2) of the Act and the transitional provisions provided under Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. Giriraj & Lohiya are eligible for re-appointment for a term of 5 year.

### **Terms and Conditions of Re-appointment are as under:**

Term of Appointment: 5 years from the conclusion of this AGM till the conclusion of 40<sup>th</sup> AGM to be held in the Financial year 2025-26

**Proposed Fees:** Fixed Remuneration for Statutory Audit Rs. 29500/- plus applicable taxes, travelling and other out-of-pocket expenses incurred by them in connection with the statutory audit of the Company. The proposed fees are based on knowledge, expertise, industry experience, time and efforts required to be put in by M/s. Giriraj & Lohiya during their association with the Company. The proposed fees are also in line with the industry benchmarks. The fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee as above and will be decided by the management in consultation with the Auditors.

**Credentials:** Giriraj & Lohiya is an old and well established Chartered Accountancy firm, having been setup in the year 1992. The firm is located in Jaipur with its operations adequately supported by qualified professionals and staff. Apart from statutory audit, the firm also has expertise in other allied areas. The firm carries a good professional track-record.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 3 of this Notice.

The Board of Directors recommends the resolution at Item No. 3 of this Notice for your approval.

### **Item No. 4**

The Board of Directors of the Company in its meeting held on August 13, 2021, approved the appointment and remuneration of M/s M. Goyal & Co., (FRN:000051) Cost Accountants upon the recommendation of Audit Committee to conduct the cost audit of the cost records of the company for the financial year 2021-22, 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. 4 of the Notice for approval by the members.

# 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 JAIN:**

**Brief resume of Director:** Mrs. Rajshree Jain aged 34 Years, was appointed on 27<sup>th</sup> September, 2014 as Executive Director and liable to retire by rotation on the Board of Directors of the Company. Later on, the designation of the director has been changed from Executive Director to Non-Executive Director w.e.f. 1<sup>st</sup> October, 2019. Mrs. Rajshree Jain is graduate and she holds experience of around 7 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 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:** 243219

By Order of the Board of Directors

August 13, 2021

Registered Office:

28-37, Banke Bihari Industrial Area,

Jatawali Mod, Maharkala Road,

Dehra, Teh.: Chomu, Jaipur-303806

CIN: L27107RJ1985PLC003370

Anshu Gupta

Company Secretary

ICSI Membership No.: A55027



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED DIRECTORS' REPORT

Dear Shareholders,

Your directors have pleasure in presenting their 35<sup>th</sup> Annual Report on the businesses and operations of your company together with audited statement of accounts for the year ended on 31st March, 2021.

### FINANCIAL PERFORMANCE & HIGHLIGHTS:

The Standalone financial statements of the year ended March 31, 2021 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.

	For the year ended on 31.03.2021 (Rs. In Lacs)	For the yearended on 31.03.2020 (Rs. In Lacs)
Total Sales	4228.47	4141.80
Other Income	1.38	0.47
Total Income	4229.85	4142.27
Profit/(Loss) before Interest & Depreciation	197.20	(143.21)
Interest	133.87	147.35
Profit/(Loss) before depreciation	63.33	(290.56)
Depreciation	8.18	8.83
Profit/ (Net Loss) before Taxation	55.15	(299.39)
Provision for Taxation	13.00	0.00
Deferred Tax (Net)	0.00	0.00
Profit/ (Net Loss) after Taxation	42.15	(299.39)
Balance brought forward from previous year	(132.94)	166.45
Profit available for appropriation	(90.79)	(132.94)
Balance carried to Balance Sheet	(90.79)	(132.94)

### 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 improved since the previous financial year. During the year under review, the sales and other income increased to Rs.4228.47 Lacs as compared to Rs. 4141.80 Lacs in the previous year. The profit during the year is Rs. 42.15 lacs as compared to a loss of Rs. 299.39 lacs in the previous year.

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## PERFORMANCE REVIEW DURING COVID-19 PANDEMIC.

The World Health Organization declared Covid-19 outbreak as a pandemic just before the beginning of FY 20-21. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government had taken a series of measures to contain the outbreak, which included imposing multiple 'lockdowns' across the country, from March 25, 2020, and extended up till Q1FY 20-21. The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic had posed challenges to all the businesses including your company's business. Owing to the suspension of the operations due to lockdown across the country, the revenue for Q1FY 20-21 was impacted. The company suspended the production operations from March 25, 2020 and partially resumed production operations from May 04, 2020. The nationwide lockdown had impacted sales of the company's products in Q1FY 20-21 as the manufacturing sites and company's distributors/suppliers were shut across India during this period. Further, there were constraints for inter-state and intrastate movement of finished goods.

## IMPACT OF COVID-19 AFTER THE END OF FINANCIAL YEAR TILL THE DATE OF THIS REPORT

India was hit hard by the 2nd wave of COVID – 19 pandemics in April 2021. The state governments started announcing simultaneous lockdowns across the country. Major impact of Covid-19 has been felt in the first quarter with both revenue and profit being affected. With opening of domestic market post lockdown, we expect business to improve gradually and that business will start moving upwards from 2nd quarter of FY21-22. Further, the management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the Company, in the long-term. The Company will continue to closely monitor any material changes to future economic conditions.

## 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 in place, adequate internal financial controls as referred in Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2021 the Board is of the opinion that the Company had sound Internal Financial Controls commensurate with the size and nature of its operations and are operating effectively and no reportable material weakness



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

was observed in the system during the year. The internal control framework is designed to ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information and other data. This system is reviewed by the management and documented policies, guidelines and procedures. The Company has a well-defined organizational structure, authority levels, internal rules and guidelines for conducting business transactions. The Company intends to undertake further measures as necessary in line with its intent to adhere to the procedures, guidelines and regulations, as applicable, in transparent manner.

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

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

## **DEPOSITS:**

During the year under review, your Company has not accepted any deposit within the meaning of Section 73 and 74 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rule, 2014. There are no outstanding deposits as on 31st March, 2021.

## **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 31<sup>st</sup> March, 2021 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, 2021, none of the Directors of the company hold any convertible instruments of the company.

## **ANNUAL RETURN:**

Pursuant to the provisions of Section 92(3) of the Act, read with Companies (Management & Administration) Rules, 2014, the annual return in the prescribed form is available on the website of the Company at <https://www.rajtube.com>

## **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 to regulate, monitor and report trading by Designated Persons 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](http://www.rajtube.com)

## **SECRETARIAL STANDARDS:**

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

## **DIRECTORS AND KEY MENERGRIAL PERSONNEL:**

### **a) DIRECTORS-**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Rajshree Jain, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

In terms of Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have already enrolled their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IICA"] as prescribed by the Ministry of Corporate Affairs under the relevant rules and submitted the exemption letter from the online proficiency self-assessment test as prescribed under the said relevant rules.



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## **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).

There are no changes in key managerial personnel during the year.

## **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) read with schedule IV of the Companies Act, 2013 and also Regulation 16(l)(b) of the Listing Regulations.

A formal letter of appointment to Independent Directors as provided in Act has been issued and the draft of the same is available on website of the Company viz. [www.rajtube.com](http://www.rajtube.com)

## **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%202021.pdf>

## **LOAN FROM DIRECTOR:**

During the reporting period your company has taken unsecured loan from Mr. Harish Chand Jain, Managing Director of the company of Rs. 1,00,00,000/- at the rate of interest of 9% p.a. Mr. Harish Chand Jain, Managing Director of the company has submitted declaration to the company that these funds are given of his own funds and not being given out of borrowed funds or by accepting loans and deposits from others.

## **BOARD EVALUATION:**

In terms of the requirements of the Act and Listing Regulations, the Board carried out the annual performance evaluation of the Board as a whole, Board Committees and the individual Directors.

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 objective of this evaluation process is constructive improvement in the effectiveness of Board, maximize its strengths and tackle weaknesses, if there are any.

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

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

Independent Directors, in their separate meeting, reviewed and evaluate the performance of non-independent directors, board as a whole, Managing Director and the Chairman, taking into account the views of executive directors and non-executive directors.

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

## **NOMINATION AND REMUNERATION POLICY:**

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



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

governance and management. The Nomination and Remuneration Policy of the Company, containing selection and remuneration criteria of Directors, senior management personnel and performance evaluation of Directors/Board/Committees/Chairman.

As at 31 March, 2021, the Board of Directors comprises of 4 Directors out of which 3 are non-executive and 1 is executive including 1 women Director. The number of Independent Directors is 2, which is one half of the total numbers of Directors. The policy has been duly approved and adopted by the Board, pursuant to the recommendations of the Nomination, Remuneration Committee of the Board. The detailed Nomination and Remuneration Policy of the Company is posted on the website of the

Company [http://rajtube.com/data/Nomination%20&%20Remuneration%20%20Policy%20\(ame%201.04.2019.pdf](http://rajtube.com/data/Nomination%20&%20Remuneration%20%20Policy%20(ame%201.04.2019.pdf) During the financial year, no changes were made in the Policy.

### CODE FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

The Company has laid down a code of conduct for the members of the Board and senior management personnel of the Company. The code of conduct has been posted on the Company's website, i.e., [www.rajtube.com](http://www.rajtube.com). The code of conduct has been circulated to all the members of the Board and senior management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended 31st March, 2021. A declaration to this effect, signed by Mr. Harish Chand Jain, Managing Director of the Company, is appended at the end of this report.

### PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE:

In Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, your Company has constituted an 'Internal Complaints Committee' ('Committee'). The Company has in place a Policy for Prevention of Sexual Harassment at Workplace as per requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The detailed policy is available at <http://rajtube.com/data/Anti%20Sexual%20harassment%20Policy.pdf>

During the year under review, the Company has not received any complaint pertaining to sexual harassment.

### NO. OF BOARD MEETINGS:

During the year 2020-21, 7 (Seven) 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:

2<sup>nd</sup> June, 2020; 29<sup>th</sup> June, 2020; 21<sup>st</sup> August, 2020; 12<sup>th</sup> September, 2020; 11<sup>th</sup> November, 2020; 12<sup>th</sup> February, 2021 and 25<sup>th</sup> February, 2021.

The attendance records of the Directors at the Board Meetings during the year ended on 31st March, 2021 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	7	7	Yes
Rajshree Jain	7	7	Yes
Mahendra Kumar Jain	7	7	Yes
Deepesh Jain	7	7	Yes

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## 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) Directors namely Shri Deepesh Jain (Chairman), Shri Mahendra Kumar Jain and Smt. Rajshree 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 2020-21, 6 (six) 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:

29<sup>th</sup> June, 2020; 21<sup>st</sup> August, 2020; 12<sup>th</sup> September, 2020 and 11<sup>th</sup> November, 2020; 12<sup>th</sup> February, 2021 and 25<sup>th</sup> February, 2021.

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) Directors namely Shri Deepesh Jain (Chairman), Smt. Rajshree 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;



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 2020-21 two meeting of Nomination and Remuneration Committee were held. The dates on which the said meetings were held:

20<sup>th</sup> August, 2020 and 10<sup>th</sup> November, 2020.

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

### ➤ **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 Non-Executive Directors including the Chairman of the Committee. Mr. Mahendra Kumar Jain is the Chairman of the Committee.

### **CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of CSR are not applicable to the company for the Financial Year 2020-21 as the company does not fall under the provisions of Section 135 of the Companies Act, 2013.

### **MEETING OF MEMBERS**

The members of the company met once during the financial year 2020-21 on 26.09.2020 on Annual General Meeting of the Company through video Conferencing /Other Audio-visual means, 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 policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or policy. The detail of the policy is posted on the website of the company weblink for the same is <http://rajtube.com/data/blower.pdf>

During the year under review, the Company has not received any complaint under this policy

### **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 31.03.2021 are given in Financial Statements.

### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

During the financial year ended March 31, 2021, all the contracts or arrangements or transactions entered into by the Company with the related parties were in the ordinary course of business and on 'arm's length' basis and were in compliance with the applicable provisions of the Companies Act, 2013 read with Regulation 23 of SEBI (LODR), 2015. Further, the



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Company has not entered into any contract or arrangement or transaction with the related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions

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](http://www.rajtube.com). Form No. AOC-2 which forms part of the Board's Report is annexed herewith as **Annexure – II**.

Also, refer note no. 37 of the financial statements as at 31st March, 2021 which forms part of this Annual Report for details of related party transactions.

### **AUDITORS:**

#### **STATUTORY AUDITORS:**

M/s Giriraj & Lohiya, Chartered Accountants were appointed as Statutory Auditors of the Company, to hold office from the conclusion of 30<sup>th</sup> Annual general Meeting held on 24<sup>th</sup> September, 2016 until the conclusion of 35<sup>th</sup> Annual General Meeting to be held in the year 2021 subject to ratification of the appointment by the members at each AGMs. However, the provision relating to ratification of such appointment by Members at every Annual General Meeting stands deleted w.e.f. May 07, 2018 by the Companies (Amendment) Act 2017 and accordingly the said ratification is henceforth not required.

On the recommendation of audit committee, the Board of Directors in its meeting held on August 13, 2021 has considered the re-appointment of M/s. Giriraj & Lohiya, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of the 35<sup>th</sup> Annual General Meeting till the conclusion of the 40<sup>th</sup> Annual General Meeting. The said firm had conveyed their willingness to be appointed as the Statutory Auditors and had also furnished a certificate confirming their eligibility to be so appointed in terms of the provisions of Section 141 of Companies Act, 2013.

### **AUDITOR'S REPORT:**

The Auditor's Report to the members on the accounts of the company for the financial year ended 31<sup>st</sup> March, 2021 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.

### **REPORTING OF FRAUD BY AUDITORS:**

As specified under Section 143 (12) of Companies Act, 2013 including any statutory amendments or modifications, if any, the auditor of the company has not reported any fraud in the course of the performance of his duties as auditor.

### **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, 2021. But due to the death of Mr. Girdhar Kumar Gupta, proprietor of M/s G.K. Gupta & Company, on 29<sup>th</sup> April, 2021 casual vacancy occurred in the office of Cost Auditors of the company.

Therefore, your Directors pursuant to the provisions of Section 148(2) of the Companies Act, 2013 read with Rules 6(2) and (3A) of Companies (Cost Records and Audit) Rules, 2014 on the recommendation of Audit Committee, in a board meeting held on 30<sup>th</sup> June, 2021 approves the appointment of M/s M. Goyal & Company (Firm Registration No. 000051), Cost Accountants, as the Cost Auditors of the company to conduct the cost audit for the financial year ending March 31, 2021. M. Goyal & Company have given their consent and confirmation to act as cost auditors of the company. The remuneration is fixed by the board of directors in the respective meeting.



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Further Pursuant to the provisions of Section 148(2) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the company has on the recommendation of Audit Committee approved the re-appointment of M/s M. Goyal & Company (Firm Registration No. 000051), Cost Accountants as the Cost Auditors of the company for the year ending March 31, 2022. 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. Priti Garg Company Secretary in Whole Time Practice, to undertake the Secretarial Audit of the Company for the financial year 2020-21. 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.

## 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.

## 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:

### Remuneration paid to Managing Director:

NAME OF DIRECTORS	DESIGNATION	RATIO TO MEDIAN REMUNERATION	% Increase / (Decrease) in Remuneration
Mr. Harish Chand Jain*	MANAGING DIRECTOR	2.77	NIL

\*Based on annualized remuneration excluding sitting fees during the financial year 2020-21.

Non- executive directors 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.

### Remuneration paid to KMPs:

NAME OF KMP	DESIGNATION	RATIO TO MEDIAN REMUNERATION	% Increase / (Decrease) in Remuneration
Mr. Pradeep Jain	CFO	1.85	NIL
Ms. Anshu Gupta	CS	1.02	NIL

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

III. The percentage increase in the median remuneration of employees in the Financial Year:

Median Remuneration at the end of F.Y. 2019-20	Median Remuneration at the end of F.Y. 2020-21	% increase/decrease in the median remuneration of employees
260400	259200	0.004%)

\*While calculating median remuneration, remuneration of only those employees is considered who were in employment for the complete financial year 2020-21.

- IV. The number of permanent employees on the payroll of the company at the end of the relevant financial year: 18
- 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. In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there is no employee who is drawing remuneration in excess of the limits set out in the said rules.
- 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) Amendment Rules, 2016.

Name	AGE	REMUNERATION RECEIVED (PER ANNUM)	DESIGNATION	NATURE OF EMPLOYMENT	QUALIFICATION & Experience	COMMENCEMENT OF EMPLOYMENT	LAST EMPLOYMENT	% OF EQUITY SHARES HELD	WHETHER RELATIVE OF DIRECTOR
SAURABH JAIN	37	480000/-	Marketing manager	ONROLL EMPLOYEE	B.COM, 7 Years	March 2014	Unemployed	7.52%	YES, son of Mr. Harish Chand Jain (Managing Director)
PRADEEP JAIN	40	480000/-	CFO	ONROLL EMPLOYEE	B.COM 6+ Years	October 2014	Unemployed	4.23%	YES, son of Mr. Harish Chand Jain (Managing Director)
ANSHU GUPTA	27	264000/-	Company Secretary	ONROLL EMPLOYEE	CS, LLB, M.COM, 3+ Years	May 2018	Unemployed	-	NO
SHAMBHU DAYAL SHARMA	49	208397/-	Electrician	ONROLL EMPLOYEE	12 <sup>th</sup> , 1 Year	June 2020	Unemployed	-	NO
ONKAR SINGH	33	203984/-	Supervisor	ONROLL EMPLOYEE	12 <sup>th</sup> , 1 Year	June 2020	Unemployed	-	NO
SHUBH KARAN	57	194381/-	Quality in charge	ONROLL EMPLOYEE	B. Com, 1 year	April 2020	Unemployed	-	No



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

SITA RAM SHARMA	40	191417/-	Threading Operator 1 <sup>st</sup>	ONROLL EMPLOYEE	B. Com, 1 year	June 2020	Unemployed	-	No
BABU LAL JAT	35	187790/-	Slating Operator	ONROLL EMPLOYEE	12 <sup>th</sup> , 1 Year	June 2020	Unemployed	-	NO
SUSHIL JAT	41	186900/-	Helper	ONROLL EMPLOYEE	12 <sup>th</sup> , 1 Year	June 2020	Unemployed	-	NO
RAM KISHORE YADAV	31	182792/-	Mill Operator IInd	ONROLL EMPLOYEE	B.A., 1 Year	June 2020	Unemployed	-	NO

## 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.

## Management Discussion and Analysis

As required under regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the management discussion and analysis report for the year under review is enclosed as **Annexure-I** to this report.

## COMPLIANCE CERTIFICATE:

The Compliance Certificate on the financial statements for the financial year ended 31st March, 2021 is enclosed at the end of this report.

## 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:

- In the preparation of the annual accounts for the year ended March 31, 2021, 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.
- 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, 2021 and of the Profits of the Company for the year ended on that date;
- 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;

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- 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 2021-22.

## **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.

## **OTHER DISCLOSURES AND REPORTING**

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

- 0. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- 1. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this report.
- 2. Any remuneration or commission received by Managing Director of the Company from any of its subsidiaries: Not Applicable
- 3. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
- 4. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

Annexure-I

## **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.



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 is also a matter of concern.

c) **SEGMENT:**

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

d) **OUTLOOK:**

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

e) **INTERNAL CONTROL SYSTEM:**

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

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

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

g) **DISCLOSURE BY THE MANAGEMENT:**

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

**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.

**For and on Behalf of the Board**

**Registered office:**

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

**Date:** August 13, 2021

**(RAJSHREE JAIN)**  
**DIRECTOR**  
**DIN:06934858**

**(HARISH CHAND JAIN)**  
**MANAGING DIRECTOR**  
**DIN:01504391**

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## COMPLIANCE CERTIFICATE

To,  
The Board of Directors  
Rajasthan Tube Manufacturing Company Limited

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, 2021 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: 30<sup>th</sup> June, 2021

**(PRADEEP JAIN)**

(CHIEF FINANCIAL OFFICER)

**(HARISH CHAND JAIN)**

MANAGING DIRECTOR  
DIN :01504391



## **Declaration for Compliance with Code of Conduct**

I hereby confirm and declare that all the Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2020-21.

**Registered office:**

28-37, Banke Bihari Industrial Area,  
Jatawali Mod, Maharkala Road,  
Dehra, Teh.: Chomu, Distt. Jaipur-303806  
Dated:30<sup>th</sup> June,2021

**(HARISH CHAND JAIN)**  
MANAGING DIRECTOR  
DIN.:01504391

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Annexure-II

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:** NONE;  
DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS.

(a) Name(s) of the related party and nature of relationship: NA

(b) Nature of contracts/ arrangements/ transactions: NA

(c) Duration of the contracts/ arrangements/ transactions: NA

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA

(e) Justification for entering into such contracts or arrangements or transactions: NA

(f) Date(s) of approval by the Board: NA

(g) Amount paid as advances, if any: NA

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NA

2. **Details of material contracts or arrangement or transactions at arm's length basis:** NONE  
DURING THE REPORTING PERIOD, THERE WAS NO MATERIAL CONTRACT OR ARRANGEMENT.

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

(a) Name(s) of the related party and nature of relationship: NA

(b) Nature of contracts/ arrangements/ transactions: NA

(c) Duration of the contracts/ arrangements/ transactions: NA

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA

(e) Date(s) of approval by the Board, if any: NA

(f) Amount paid as advances, if any: NA

**Registered office:**

For and on Behalf of the Board

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

Date: August 13, 2021

(RAJSHREE JAIN)  
DIRECTOR  
DIN:06934858

(HARISH CHAND JAIN)  
MANAGING DIRECTOR  
DIN: 01504391



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Annexure-III

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[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 Ltd**

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, 2021 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 period under review according to the provisions of applicable law provided hereunder:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder including any re-enactment thereof;
- (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') to the extent applicable: -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (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)
  - (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; (Not Applicable to the Company during the Audit period)

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(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, 2018. (Not Applicable to the Company during the Audit period)

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

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 BSE Limited (BSE) and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

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

- I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.
- All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings

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

I further report that 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 2018-19, 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.

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

**For Priti G Associates**  
(Company Secretaries)

Place: Jaipur  
Date: 13.08.2021

**Priti Garg**  
M. No. 54381  
C.P. No. 21319  
UDIN:A054381C000777554



# 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, The.: Chomu, Distt. Jaipur-303806

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. 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.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

**For Priti G Associates**  
(Company Secretaries)

**Priti Garg**  
M. No. 54381  
C.P. No. 21319  
UDIN:A054381C000777554

Place: Jaipur  
Date: 13.08.2021

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

### ***Report on Audit of 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, 2021, 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, 2021 and its loss (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.

#### **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.



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 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



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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.

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

## 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, to the extent applicable.

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

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

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



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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"**.

3) 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 27 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.

4) With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Giriraj & Lohiya  
Chartered Accountants  
(FRN-006031C)

Place: Jaipur  
Date: 30<sup>th</sup> June, 2021

(Giriraj Prasad)  
Partner  
(M. No.73380)  
UDIN:21073380AAAACO7231

## **ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHERLEGAL 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.
- 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



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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:

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Period to which the amt. Relates</b>	<b>Amount Rs.</b>	<b>Forum where the dispute is pending</b>
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) during the year.
- 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.
- 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.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Jaipur  
Date: 30<sup>th</sup> June, 2021

For **Giriraj & Lohiya**  
Chartered Accountants  
(FRN-006031C)

**(Giriraj Prasad)**  
Partner  
(M. No.73380)  
UDIN:21073380AAAACO7231



# **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(A)(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, 2021 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 (hereinafter referred to as "the Act").

### **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.

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.

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## 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.

## 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, 2021, 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.

Place: Jaipur  
Date: 30<sup>th</sup> June, 2021

**For Giriraj & Lohiya**  
Chartered Accountants  
(FRN-006031C)

**(Giriraj Prasad)**  
Partner  
(M. No.73380)

UDIN:21073380AAAACO7231



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED BALANCE SHEET AS AT 31ST MARCH 2021

		(Amount in Rs.)	
Particulars	Note No.	As at 31.03.2021 (Rs.)	As at 31.03.2020 (Rs.)
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	15390570	16194826
(b) Financial Assets			
(i) Investments	4	807000	807000
(ii) Loans	5	12673673	13073674
(c) Deferred tax assets (net)	6	11624939	11624939
(d) Other non-current assets	7	<u>129712</u>	<u>129712</u>
<b>Total Non-Current Assets</b>		<b><u>40625894</u></b>	<b><u>41830151</u></b>
<b>Current assets</b>			
(a) Inventories	8	61685934	71565017
(b) Financial Assets			
(i) Trade receivables	9	48632002	95631012
(ii) Cash and cash equivalents	10	189401	113729
(iii) Bank balances other than (ii) above	11	80800	80800
(iv) Other Financial Assets	12	20178047	21843232
(c) Other current assets	13	1248984	1061491
<b>Total Current Assets</b>		<b><u>132015168</u></b>	<b><u>190295281</u></b>
<b>Total Assets</b>		<b><u>172641062</u></b>	<b><u>232125432</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	14	44998500	44998500
(b) Other Equity	15	<u>15283229</u>	<u>11067572</u>
<b>Total Equity</b>		<b><u>60281729</u></b>	<b><u>56066072</u></b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	28956116	0
(ii) Provisions	17	<u>351385</u>	<u>406489</u>
<b>Total Non- Current Liabilities</b>		<b><u>29307501</u></b>	<b><u>406489</u></b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	64948224	141137336
(ii) Trade payables	19		

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(A) total outstanding dues of micro enterprises and small enterprises		0	0
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		86443	29820853
(ii) Other Financial Liabilities	20	8094139	0
(b) Other current liabilities	21	8010663	4032523
(c) Provisions	22	1912363	662159
<b>Total Current Liabilities</b>		<b><u>83051832</u></b>	<b><u>175652871</u></b>
<b>Total Equity and Liabilities</b>		<b><u>172641062</u></b>	<b><u>232125432</u></b>

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENTS 1-47

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  
M.NO. 073380

**(HARISH CHAND JAIN)**  
MANAGING DIRECTOR  
(DIN:01504391)

**(RAJSHREE JAIN)**  
DIRECTOR  
(DIN:06934858)

**(PRADEEP JAIN)**  
CFO

JAIPUR  
30<sup>th</sup> June, 2021

**(ANSHU GUPTA)**  
COMPANY SECRETARY  
ICSI Membership No.: A55027



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH 2021

(Amount in Rs.)

Particulars	Note No.	For the Year 31.03.2021 (Rs)	For the Year 31.03.2020 (Rs)
I Revenue From operations	23	422846952	414180207
II Other Income	24	<u>138069</u>	<u>47190</u>
III <b>Total Income (I+II)</b>		<u>422985021</u>	<u>414227397</u>
IV <b>EXPENSES</b>			
Cost of materials consumed	25	382784915	338046926
Changes in inventories of finished goods, Stock-in - Trade and work in-progress	26	5479548	73621494
Employee benefits expense	27	4739736	6756828
Finance costs	28	13386750	14735052
Depreciation and amortization expenses	3	817730	882861
Other expenses	29	<u>10260685</u>	<u>10124005</u>
<b>Total expenses (IV)</b>		<u>417469364</u>	<u>444167166</u>
V <b>Profit/(loss) before exceptional items and tax (III-IV)</b>		5515657	(29939769)
VI Exceptional Items		<u>0</u>	<u>0</u>
VII <b>Profit/ (loss) before tax(V-VI)</b>		5515657	(29939769)
Tax expense:			
VIII (1) Current tax		1300000	0
(2) Deferred tax		0	0
Total Tax Expense		<u>1300000</u>	<u>0</u>
IX <b>Profit/(loss) for the period (VII-VIII)</b>		<u>4215657</u>	<u>(29939769)</u>
X Other Comprehensive Income		<u>0</u>	<u>0</u>
XI <b>Total Comprehensive Income for the period (IX+X)</b> (Comprising Profit (Loss) and Other Comprehensive Income for the period)		<u>4215657</u>	<u>(29939769)</u>

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

XII Earnings per equity share (Face value Rs.10/-each):

(1) Basic	0.94	(6.64)
(2) Diluted	0.94	(6.64)

## **SIGNIFICANT ACCOUNTING POLICIES**

## **NOTE ON FINANCIAL STATEMENTS**

As per our Report of even date Attached

1-47

**FOR GIRIRAJ & LOHIYA**  
CHARTERED ACCOUNTANTS  
FRN-006031C

**GIRIRAJ PRASAD**  
PARTNER  
M.NO. 073380

FOR AND ON BEHALF OF  
THE BOARD  
**(HARISH CHAND JAIN)**  
MANAGING DIRECTOR  
(DIN:01504391)

**(RAJSHREE JAIN)**  
DIRECTOR  
(DIN:06934858)

**(PRADEEP JAIN)**  
CFO

**(ANSHU GUPTA)**  
COMPANY SECRETARY  
ICSI Membership No.: A55027

JAIPUR  
30<sup>th</sup> June,2021



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	(Amount In Lacs)	
	YEAR ENDED 31-03-2021	YEAR ENDED 31-03-2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit/Loss before Tax and Extra-ordinary items</b>	<b>55.15</b>	<b>(299.40)</b>
Adjustments For:		
Depreciation	8.18	8.83
Profit/Loss on sale of Fixed Assets	-	-
Interest Received	(1.38)	(0.47)
Finance Cost	133.87	147.35
<b>Operating Profit before working Capital Changes</b>	<b>195.82</b>	<b>(143.69)</b>
<b>Adjustments for (increase)/ decrease in Operating Assets:</b>		
Decrease/(Increase) in Trade and other Receivables	469.99	241.55
Decrease/(Increase) Inventories	98.79	802.16
Decrease/(Increase) in Long Term Loans and Advances	4.00	21.23
Decrease/(Increase) in Other Financial Assets (Short Terms Loans & Advances)	16.66	36.77
Decrease/(Increase) in Other Non-Current Assets	0	0.88
Decrease/(Increase) in Other Current Assets	(1.88)	(0.04)
<b>Adjustments for increase/ (decrease) in Operating Liabilities:</b>		
(Decrease)/Increase in Trade Payables	(297.35)	(210.63)
(Decrease)/Increase in Short Term Provisions	12.50	0.77
(Decrease)/Increase in Long Term Provisions	(0.55)	(0.17)
(Decrease)/Increase in Other Current Liabilities	39.78	25.00
(Decrease)/Increase in Other Financial Liabilities	<u>80.94</u>	<u>0.00</u>
<b>Cash Generated from Operations</b>	<b>618.70</b>	<b>773.83</b>
Less: Income Tax Paid	<u>(13.00)</u>	<u>0.00</u>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b><u>605.70</u></b>	<b><u>773.83</u></b>

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(Increase)/Decrease in Property, Plant and Equipment including Capital Advances	(0.13)	(0.34)
Interest Received	1.38	0.47
Bank deposit not considered as cash and cash equivalents	0.00	(0.81)
Increase/(Decrease) in Long Term Investments	<u>0.00</u>	<u>1.00</u>
<b>NET CASH (USED IN)/FROM INVESTING ACTIVITIES</b>	<b><u>1.25</u></b>	<b><u>0.32</u></b>

**C. CASH FLOW FROM FINANCING ACTIVITIES:**

Interest Paid	(133.87)	(147.35)
Increase/(decrease) in Long Term Borrowings	289.56	0.00
Increase/(decrease) in Short Term Borrowings	<u>(761.89)</u>	<u>(628.51)</u>
<b>NET CASH (USED IN)/FROM FINANCING ACTIVITIES</b>	<b><u>(606.20)</u></b>	<b><u>(775.86)</u></b>

Net Increase/Decrease in Cash & Cash Equivalents(A+B+C)	<b>0.75</b>	<b>(1.71)</b>
Cash and cash equivalents at the beginning of period	1.14	2.85
Cash and cash equivalents at the end of period	1.89	1.14

As per our Report of even date Attached

**SIGNIFICANT ACCOUNTING POLICIES**

**NOTE ON FINANCIAL STATEMENTS**

As per our Report of even date Attached

1-47

FOR AND ON BEHALF OF THE BOARD

**FOR GIRIRAJ & LOHIYA**  
CHARTERED ACCOUNTANTS  
FRN-006031C

**GIRIRAJ PRASAD**  
PARTNER  
M.NO. 073380

**HARISH CHAND JAIN**  
MANAGING DIRECTOR  
DIN:01504391

**RAJSHREE JAIN**  
DIRECTOR  
DIN:06934858

**PRADEEP JAIN**  
CFO

**ANSHU GUPTA**  
COMPANY SECRETARY  
ICSI Membership No.: A55027

JAIPUR  
30<sup>th</sup> June, 2021



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY For the year ended 31 March, 2021

### A. Equity Share Capital

(Amount in Rs)

Balance as at 01.04.2019	Movement during the Year	Balance as at 31.03.2020	Movement during the Year	Balance as at 31.03.2021
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	Investment Allowance Utilization Reserve	Retained Earning		
As at 1 <sup>st</sup> April, 2019	6101636	16512500	1747490	16645715	0	41007341
Profit/ Loss for the period				(29939769)	0	(29939769)
As at 31 <sup>st</sup> March, 2020	6101636	16512500	1747490	(13294054)	0	11067572
Profit/ Loss for the period				4215657	0	4215657
As at 31 <sup>st</sup> March, 2021	6101636	16512500	1747490	(9078397)	0	15283229

### SIGNIFICANT ACCOUNTING POLICIES

### NOTE ON FINANCIAL STATEMENTS 147

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

(HARISH CHAND JAIN)

MANAGING DIRECTOR  
(DIN:01504391)

FOR GIRIRAJ & LOHIYA  
CHARTERED  
ACCOUNTANTS  
FRN-006031C

GIRIRAJ  
PRASAD  
PARTNER  
M.NO. 073380

(RAJSHREE JAIN)

DIRECTOR  
(DIN:06934858)

(PRADEEP JAIN)

CFO

JAIPUR  
30<sup>th</sup> June, 2021

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

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### **I NOTES: - 1 TO 47: 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.

#### **1. 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 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



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 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.

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## **(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 account of the year in which the related services are rendered. 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 is 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



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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.

## **(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').

#### **Derogation 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.
- 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.

## **(T) Estimation of uncertainties relating to the global health pandemic from COVID-19**

Post the outbreak of COVID-19, the Company has made an assessment of the likely adverse impact on economic environment in general and potential impact on its operations including the carrying values of its current and non current assets including, property, plant and equipment and other financial exposure. It has also evaluated its ability to meet the financial commitments of its lender etc. The Company as of the reporting date has used internal and external sources on the expected future performance of the Company and accordingly does not expect any long term adverse impact of COVID-19 on its ability to recover the carrying value of assets and meeting its financial obligations. However, given the nature of the COVID-19, the Company continues to monitor developments to identify and manage any significant uncertainties relating to its future economic outlook.

# 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
<b>Gross Block</b>							
<b>As at 1<sup>st</sup> April, 2019</b>	4752650	23365669	50448136	378496	10981274	1153691	91079916
Addition						33474	
Deduction	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	4752650	23365669	50448136	378496	10981274	1187165	91113390
Addition						13474	
Deduction	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	4752650	23365669	50448136	378496	10981274	1200639	91126864
<b>Accumulated Depreciation</b>							
<b>As at 1<sup>st</sup> April, 2019</b>	0	13260780	48838370	340606	10565772	1030175	74035703
Depreciation for the year	0	<u>485922</u>	<u>227795</u>	<u>5554</u>	<u>120016</u>	<u>43574</u>	<u>882861</u>
<b>As at 31 March 2020</b>	0	13746702	49066165	346160	10685788	1073749	74918564
Depreciation for the year	0	<u>471683</u>	<u>225972</u>	<u>2361</u>	<u>82478</u>	<u>35236</u>	<u>817730</u>
<b>As at 31<sup>st</sup> March, 2021</b>	0	14218385	49292137	348521	10768266	1108985	75736294
<b>Carrying Value</b>							
As at 31 <sup>st</sup> March, 2021	4752650	9147284	1155999	29975	213008	91654	15390570
As at 31 <sup>st</sup> March 2020	4752650	9618967	1381971	32336	295486	113416	16194826
As at 1 <sup>st</sup> April, 2019	4752650	10104889	1609766	37890	415502	123516	17044213
Useful Life of Assets	-	30-60 year	15 year	10 year	8-10 year	5 year	-



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(Amount in Rs.)

PARTICULARS	As at 31 March,2021	As at 31 March,2020
<b>4. INVESTMENT</b>		
<b>INVESTMENT IN EQUITY INSTUMENTS</b>		
<b>UNQUOTED- OTHERS</b>		
(Valued at Coat unless stated otherwise)		
54500 (31 <sup>st</sup> March 2020: 54500)		
Equity Shares of Tridev Finance Company Limited of		
Rs.10/- each fully paid up		
(Fair value of Unquoted Investment as on 31st March 2020:		
545000)	545000	545000
<b>(B)INVESTMENT IN GOVERNMENT</b>		
<b>SECURITIES(Unquoted-Others) At Amortized Cost</b>		
N.S.C. *	262000	262000
<b>TOTAL</b>	<b>807000</b>	<b>807000</b>
<b>UNQUOTED</b>		
Aggregate Carrying Value	807000	807000
<b>TOTAL INVESTMENT AT COST/FAIR VALUE</b>	<b>807000</b>	<b>807000</b>

\* Pledged with Commercial Tax Department.

## **5. LOANS (UNSECURED, CONSIDERED GOOD)**

PARTICULARS		
SECURITIES DEPOSIT	12673673	13073674
<b>TOTAL</b>	<b>12673673</b>	<b>13073674</b>

### **Loans Receivables shall be sub-classified as**

Loans Receivables considered good - Secured	0	0
Loans Receivables considered good - Unsecured	12673673	13073674
Loans Receivables which have significant increase in		
Credit Risk	0	0
Loans Receivables - credit impaired	0	0

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

(Amount in Rs.)

As at 31  
March, 2021

As at 31  
March, 2020

## 6. 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

	<u>11624939</u>	<u>11624939</u>
<b>TOTAL</b>	<b><u>11624939</u></b>	<b><u>11624939</u></b>

## 7. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

INTEREST ACCRUED ON NSC

	<u>129712</u>	<u>129712</u>
<b>TOTAL</b>	<b><u>129712</u></b>	<b><u>129712</u></b>

## 8. INVENTORIES

AT LOWER OF COST OR NET REALIZABLE VALUE

RAW MATERIAL	0	3794035
STOCK -IN-PROCESS	8685068	4286279
FINISHED GOODS	43759547	53637884
STORES	9055000	9660500
SPARES LOOSE TOOLS	<u>186319</u>	<u>186319</u>
<b>TOTAL</b>	<b><u>61685934</u></b>	<b><u>71565017</u></b>

## BREAK UP OF INVENTORIES

### RAW MATERIAL

HR COILS	0	3714085
PP RINGS AND OTHERS	<u>0</u>	<u>79950</u>
	<u>0</u>	<u>3794035</u>

### STOCK IN PROCESS

SLITTED HR COILS	<u>8685068</u>	<u>4286279</u>
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### FINISHED GOODS

MS PIPES	<u>43759547</u>	<u>53637884</u>
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## 9. TRADE RECEIVABLES

Trade Receivables considered good - Secured	0	0
Trade Receivables Considered Good- Unsecured	48632002	95631012
Trade Receivables which have significant increase in credit risk	0	0
Trade Receivables -credit impaired	<u>0</u>	<u>0</u>
<b>Total</b>	<b><u>48632002</u></b>	<b><u>95631012</u></b>



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(Amount in Rs.)

	As at 31 March, 2021	As at 31 March, 2020
<b>(UNSECURED, CONSIDERED GOOD)</b>		
DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS	1932771	4078920
OTHER DEBTS	<u>46699231</u>	<u>91552092</u>
TOTAL	<u>48632002</u>	<u>95631012</u>

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	137	27769
CASH IN HAND	<u>189264</u>	<u>85960</u>
TOTAL	<u>189401</u>	<u>113729</u>

## **11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALANTS**

WITH MATURITY MORE THAN 12 MONTHS AT INCEPTION (Pledged with Bank as Margin Money)

	<u>80800</u>	<u>80800</u>
TOTAL	<u>80800</u>	<u>80800</u>

## **12. OTHER FINANCIAL ASSETS**

PREPAID EXPENSES	438142	631264
OTHER ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	<u>19739905</u>	<u>21211968</u>
TOTAL	<u>20178047</u>	<u>21843232</u>

## **13. OTHER CURRENT ASSETS**

TDS RECEIVABLE	1042817	1061491
TCS ON PURCHASE	<u>206167</u>	<u>0</u>
TOTAL	<u>1248984</u>	<u>1061491</u>

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(Amount in Rs.)

## 14. SHARE CAPITAL

### Authorised

80,00,000 (Previous Year 80,00,000) Equity Shares of Rs.10/- each

As at 31  
March,2021

As at 31  
March,2020

8,00,00,000

8,00,00,000

### Issued, Subscribed & Paid up

45,07,800 (Previous Year 45,07,800) Equity Shares of Rs.10/- each fully paid up

4,50,78,000

4,50,78,000

**Less:** Allotment Money due towards Capital A/c

79,500

79,500

4,49,98,500

4,49,98,500

Reconciliation of number of shares outstanding at the beginning and at the end of 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 par value of Rs.10/- each. Each Shareholder is eligible for one vote per share held. In the event of Liquidation, the equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts if any, in proportion to their shareholding

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

	Number of Share(%)	Number of Share(%)
Equity Shares		
TRIDEV FINANCE COMPANY LIMITED	378655(8.40%)	378655(8.40%)
HARISH CHAND JAIN	726123(16.11%)	726123(16.11%)
DEEPIKA MANAK CHAND JAIN	442528(9.82%)	442528(9.82%)
BINOD KUMAR THOLIYA HUF	412547(9.15%)	412547(9.15%)
SAURABH JAIN	338822(7.52%)	338822(7.52%)
RAJSHREE JAIN	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

## 15. OTHER EQUITY

(Amount in Rs.)

	As at 31 March, 2021	As at 31 March, 2020
<b>General Reserve</b>		
Opening balance	<u>6101636</u>	<u>6101636</u>
	<u>6101636</u>	<u>6101636</u>
<b>Securities Premium Account</b>		
Opening balance	16539000	16539000
Less: allotment Money due towards Premium account	<u>26500</u>	<u>26500</u>
	<u>16512500</u>	<u>16512500</u>
<b>Investment Allowance Utilization Reserve</b>	1747490	1747490
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	(13294054)	16645715
Add: Profit/(Loss) for the year	<u>4215657</u>	<u>(29939769)</u>
	<u>(9078397)</u>	<u>(13294054)</u>
<b>Total</b>	<b><u>15283229</u></b>	<b><u>11067572</u></b>

- (i) **General Reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
- (ii) **Securities Premium Reserve:** Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013
- (iii) **Investment Allowance Utilization Reserve:** Investment Allowance Utilization Reserve is a free reserve.

## 16. BORROWINGS (NON-CURRENT)

As at 31  
March, 2021                      As at 31  
March, 2020

### SECURED LOANS

FROM BANKS O/D

ON GECL ACCOUNT (WITH SBI) [Note no. (i)]

<u>20583330</u>	<u>0</u>
20583330	0

### UNSECURED LOANS

FROM OTHERS (DIRECTOR) [Note no. (ii)]

<u>8372786</u>	<u>0</u>
<u>8372786</u>	<u>0</u>

### TOTAL

<b><u>28956116</u></b>	<b><u>0</u></b>
------------------------	-----------------

### NOTES:

(i) During the year the company has taken Working Capital Term Loan (WCTL) secured by way of first charge on company's entire fixed assets i.e., raw material, SIP, finished goods, packing material, consumables stores and book debts. This loan is further secured by first charge in respect of other movable and immovable fixed assets of the company and personal guarantee of Mr. Harish Chand Jain, Managing Director of the Company. The WCTL sanctioned for 48 months with a moratorium period of 12 months and will be repayable in 36 monthly installments starting from June 2021.

(ii) During the year, the Company has taken unsecured loan from Mr. Harish Chand Jain, Managing Director of the Company for meeting its operational working capital requirements.. Applicable rate of interest is 9 % p.a.

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(Amount in Rs.)

## **17. PROVISIONS (NON-CURRENT)**

### **Non-Current**

PROVISION FOR GRATUITY

**TOTAL**

As at 31st  
March, 2021

351385

**351385**

As at 31st  
March, 2020

406489

**406489**

## **18. BORROWINGS (CURRENT)**

### **SECURED LOANS**

FROM BANKS (Note no. (i))

ON CASH CREDIT ACCOUT WITH SBI

**TOTAL**

64948224

**64948224**

141137336

**141137336**

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 the company and personal guarantee of Mr. Harish Chand Jain, Managing Director of the Company.

## **19. TRADE PAYABLES**

TOTAL OUTSTANDING DUES OF MICRO AND SMALL ENTERPRISES

0

0

TOTAL OUTSTANDING DUES OTHER THAN MICRO AND SMALL ENTERPRISES

86443

29820853

**TOTAL**

**86443**

**29820853**

\* Refer note no. 35 for Disclosure under Micro, Small and Medium enterprises Development Act.

## **20. OTHER FINANCIAL LIABILITIES**

CURRENT MATURITIES OF LONG TERM LOAN

7916670

0

INTEREST ACCRUED BUT NOT DUE

177469

0

**TOTAL**

**8094139**

**0**

## **21. OTHER CURRENT LIABILITIES**

TDS PAYABLE

15272

9000

TCS ON SALES

17073

0

OTHER LIABILITIES

7978318

4023523

**TOTAL**

**8010663**

**4032523**

## **22. PROVISIONS (CURRENT)**

PROVISION FOR AUDIT FEES

70000

75500

PROVISION FOR TAXATION

1815000

515000

PROVISION FOR GRATUITY

27363

71659

**TOTAL**

**1912363**

**662159**

## **23. REVENUE FROM OPERATIONS**

SALES OF GOODS

Year Ended  
31.03.2021

422846952

Year Ended  
31.03.2020

414180207

**TOTAL**

**422846952**

**414180207**



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(Amount in Rs.)

## **24.OTHER INCOME**

	Year Ended 31.03.2021	Year Ended 31.03.2020
INTEREST ON BANK DEPOSIT	5656	2828
OTHER INTEREST	33013	44362
PROVISION WRITE BACK	<u>99400</u>	<u>0</u>
<b>TOTAL</b>	<b><u>138069</u></b>	<b><u>47190</u></b>

## **25.COST OF MATERIAL CONSUMED**

INDIGENOUS	<u>382784915</u>	<u>338046926</u>
	<u>382784915</u>	<u>338046926</u>

## **BREAKUP OF RAW MATERIAL CONSUMED**

HR COILS AND PIPES	<u>382784915</u>	<u>338046926</u>
<b>TOTAL</b>	<b><u>382784915</u></b>	<b><u>338046926</u></b>

## **26. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK- IN-TRADE**

### **INVENTORIES (AT OPENING)**

FINISHED GOODS	53637884	97025827
STOCK-IN-PROCESS	<u>4286279</u>	<u>34519830</u>
	<u>57924163</u>	<u>131545657</u>

### **INVENTORIES (AT CLOSING)**

FINISHED GOODS	43759547	53637884
WORK-IN-PROGRESS	<u>8685068</u>	<u>4286279</u>
	<u>52444615</u>	<u>57924163</u>
<b>TOTAL</b>	<b><u>5479548</u></b>	<b><u>73621494</u></b>

## **27.EMPLOYEES BENEFIT EXPENSES**

SALARIES WAGES AND BONUS	4660016	6571213
STAFF WELFARE EXPENSES	60107	113376
ESI CONTRIBUTION	3829	5616
PROVIDENT FUND	15784	18753
GRATUITY EXP	<u>0</u>	<u>47870</u>
<b>TOTAL</b>	<b><u>4739736</u></b>	<b><u>6756828</u></b>

## **28.FINANCE COSTS**

INTEREST	<u>13386750</u>	<u>14735052</u>
<b>TOTAL</b>	<b><u>13386750</u></b>	<b><u>14735052</u></b>

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## 29. OTHER EXPENSES

(Amount in Rs.)

CONSUMPTION OF STORES AND SPARE PARTS	1796181	1176508
POWER AND FUEL	3609056	3615309
RATE AND TAXES	75624	360393
REPAIRING MAINTENANCE OF PLANT & MACHINERY	124040	25717
LEGAL AND PROFESSIONAL AND CONSULTANCY CHARGES	77600	122999
INSURANCE	332564	320604
TRAVELLING AND CONVEYANCE	500	102783
PRINTING AND STATIONERY	23882	30335
POSTAGE, TELEGRAM & TELEPHONE	29241	69729
BANK COMMISSION	551192	807200
MISCELLANEOUS EXPENSES	479747	622150
BOARD MEETING EXPENSES	21000	26250
REMUNERATION TO AUDITOR'S	52000	57500
COST AUDIT FEES	18000	18000
VEHICLE RUNNING & MAINTENANCE	3070058	2768528
<b>TOTAL</b>	<b>10260685</b>	<b>10124005</b>

## II. NOTES ON FINANCIAL STATEMENT:

### 30. Contingent Liabilities not provided for:

As at 31.03.2021      As at 31.03.2020

(i) Guarantee given by Bank against which the Directors have given counter guarantees.

--      --

(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      500000

(iv) Commitments

NIL      NIL

31. During the year 2018-19 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.

### 32. PAYMENT TO AUDITORS

	Current Year	Previous Year
(i) Audit Fees	18500	18500
(ii) Tax Audit	11000	11000
(iii) Reimbursement of Expenses	22500	28000



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**33.** 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 2020-21 as per actuarial certificate.

<b>Assumptions as at</b>	<b>31/03/2021</b>
Average Past Service(years)	2.1
Average Future service(years)	20.6
Average Age	39.4
Weighted Average Duration (based on discounted cash flows) in years	22
Average Monthly Salary	21700
Discount Rate	7.00% Per annum
Salary Growth Rate	5.00%Per annum
Mortality	IALM2012-14
Expected Rate of Return	0
Withdrawal Rate (Per annum)	5.00% P.A.
<b>Benefits Valued</b>	<b>31/03/2021</b>
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
<b>Current Liability</b>	<b>31/03/2021</b>
Current Liability (Short Term) *	27363
Non-Current Liability (Long Term)	351385
Total Liability	378748

**34.** 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.

**35.** 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.As at 31st March,2021, The disclosures pursuant to the said MSMED Act are as follows:

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

S.No.	Particulars	31.03.2021	31.03.2020
A.	The principal amount remaining unpaid to any supplier at the end of the year	NIL	NIL
B.	Interest due remaining unpaid to any supplier at the end of the year	NIL	NIL
C.	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	NIL	NIL
D.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	NIL	NIL
E.	The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
F.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	NIL	NIL

**36.** 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.

## **37. RELATED PARTY TRANSACTIONS:**

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

S.NO	NAME OF RELATED PARTY	NATURE OF RELATIONSHIP
1.	<b>Key Managerial Personnel</b> Harish Chand Jain Pradeep Jain Anshu Gupta	Managing Director Chief Financial Officer Company Secretary
2.	<b>Non Executive Non Independent Director</b> Mrs Rajshree Jain	Non Executive Non Independent Director
3.	<b>Other Directors</b> Mahendra Kumar Jain Deepesh Jain	Non-Executive Independent Director Non-Executive Independent Director
4.	<b>Relative of Key Managerial Personnel</b> Mr. Saurabh Jain	Son of Managing Director



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

5.	Enterprises over which Key Managerial Personnel and relatives of such Personnel exercises significant influences.	a. Tridev Finance Company Limited
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## B) Transactions with related parties: -

Particulars	KMP	Relative Of KMP	Other Director (Non-Executive Independent Director/and non executive non Independent Director)	Enterprises over which Key Managerial Personnel and relatives of such Personnel exercises significant influences.
<b>Compensation paid to KMP:</b>		-		-
<b>Salary Paid</b>				
Harish Chand Jain	720000/- P.a (720000/-P.a)			
Pradeep Jain	480000/- P.a (480000/- P.a)			
Anshu Gupta	264000/- P.a (264000/- P.a)	-		-
<b>Compensation paid toRelative of KMP:</b>	-			-
<b>Salary Paid:</b>				
Saurabh Jain		480000/- P.a (480000/- P.a)		
<b>Sitting fees</b>		-		-
1.Hrish Chand Jain	5250/- (6000/-)			-
2.Rajshree Jain	-		5250 (6000/-)	-
3.Mahendra Kumar Jain			5250/- (6000/-)	
4.Deepesh Jain			5250/- (6000/-)	
<b>Loans taken:</b>	8372786 (Nil)	-	-	-
1.Harish Chand Jain (Managing Director)				
<b>Amount outstanding pertaining to</b>	-	-	-	

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

related parties at the Balance Sheet Date: Investment in Equity Share 1.Tridev finance Co. Ltd.				Rs.545000/- (Rs.545000/-)
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\*Figures in the bracket relates to previous year ended March 31, 2020.

38.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.

39. Tax deducted at source on interest income included in other income is Nil, (previous year Rs. Nil.)

## 40.EARNINGS PER SHARE:

S.no.	Particulars	As on 31.03.2021	As on 31.03.2020
A.	Profit/(Loss)after tax: -Numerator	4215657	(29939769)
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)	0.94	(6.64)

## 41.ADDITIONAL INFORMATION:

### A) Composition of Raw Materials Consumption:

Raw Material consumption	2020-21		2019-20	
A) Raw Material consumption	Value	Value	Value	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	382784915	100	338046926	100

### B) Value of Imports on CIF Basis:

Particulars	2020-21	2019-20
Raw Materials	NIL	NIL



# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## C) Earning in Foreign Currency:

Particulars	2020-21	2019-20
F.O.B. Value of Export	NIL	NIL

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

Particulars	2020-21	2019-20
Expenditure in Foreign Currency (on payment basis):	NIL	NIL

42. 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, 2021 is as follows:

### Provision for Audit Fees

Particulars	2020-21	2019-20
Opening Balance	75500	63000
Additions	70000	75500
Payments	75500	63000
Reversals	--	--
Closing Balance	70000	75500

### Provision for Gratuity

Particulars	2020-21	2019-20
<b>Current</b>		
Opening Balance	71659	7017
Additions	0	64642
Payments	0	0
Reversals	44296	0
Closing Balance	27363	71659

### Non- Current

Opening Balance	406489	423261
Additions	0	0
Payments	0	0
Reversals	55104	16772
Closing Balance	351385	406489

## 43.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.

(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.

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

## 44. 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.

45. These financial statements were approved and adopted by board of directors of the Company in their meeting dated June 30, 2021.

46. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

47. Notes 1 to 46 are annexed to and form an integral part of financial statements.  
As per our Report of even date  
Attached

FOR GIRIRAJ & LOHIYA  
CHARTERED ACCOUNTANTS  
FRN-006031C

GIRIRAJ PRASAD  
PARTNER  
M.NO. 073380

JAIPUR  
30<sup>th</sup> JUNE, 2021

(HARISH CHAND JAIN)  
MANAGING DIRECTOR  
(DIN:01504391)

(RAJSHREE JAIN)  
DIRECTOR  
(DIN:06934858)

(PRADEEP JAIN)  
CFO

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



# BOOK POST

If undelivered please return to :

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**  
28-37, BANKER BEHARI INDUSTRIAL AREA, JATAWALI MOD,  
MAHARKALA ROAD, DEHRA, Teh. : CHOMU  
Distt. JAIPUR (Raj.) 303 806