



**Rajasthan Tube**  
Manufacturing Company Limited

Date: October 03, 2018

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

**Sub: Annual Report for the Financial Year 2017-18**

Dear Sir/Ma'am

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 32<sup>nd</sup> Annual Report of the company duly approved and adopted by the members at the 32<sup>nd</sup> Annual General Meeting of the company held on Saturday, 29<sup>th</sup> September, 2018.

Kindly take the same on your records.

Thanking You.

Yours Faithfully,

For Rajasthan Tube Manufacturing Company Limited

*Anshu Gupta*  
Anshu Gupta  
Company Secretary



CIN No. : L27107RJ1985PLC003370

Regd. & Works Office : 26-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Dehra, Teh. Chomu, Distt. JAIPUR – 303806 (Raj.)  
Visit us at : [www.rajtube.com](http://www.rajtube.com) • e-mail : [rajtube@hotmail.com](mailto:rajtube@hotmail.com), Ph. : +919828311222, +8875009017

*Symbol of*

**R**ELIABILITY,

**T**RUTH &

**L**OYALTY



# **ANNUAL REPORT**

## **2017-2018**



**Rajasthan Tube**

**Manufacturing Company Ltd.**



# ANNUAL REPORT 2017-18

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## **BOARD OF DIRECTORS :**

**SHRI HARISH CHAND JAIN** (CHAIRMAN & MANAGING DIRECTOR)

**SMT RAJSHREE PATNI** (DIRECTOR)

**SHRI SUNIL KUMAR JAIN** (INDEPENDENT DIRECTOR)

**SHRI DEEPESH JAIN** (INDEPENDENT DIRECTOR)

**SHRI MAHENDRA KUMAR JAIN** (INDEPENDENT DIRECTOR)

**SHRI PRADEEP JAIN** (CHIEF FINANCIAL OFFICER)

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## **AUDITORS :**

**GIRIRAJ & LOHIYA**

CHARTERED ACCOUNTANTS

JAIPUR

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## **CORPORATE ADVISOR :**

**MEGHA KHANDELWAL & ASSOCIATES**

COMPANY SECRETARY

JAIPUR

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## **COMPANY SECRETARY :**

**ANSHU GUPTA**

JAIPUR

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## **BANKERS :**

**STATE BANK OF INDIA**

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## **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

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## **REGISTERED OFFICE & WORKS :**

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

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

(1) scores@beetalfinancial.com

(2) rajtube@hotmail.com



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**RAJASTHAN TUBE MANUFACTURING  
COMPANY LIMITED  
NOTICE**

Notice is hereby given that Thirty Second Annual General Meeting of the members of **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED** will be held at its registered office i.e. 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Village Dehra, Teh. Chomu, Distt. Jaipur-303806 on Saturday, 29<sup>th</sup> September 2018 at 10.00 A.M. to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Rajshree Patni (DIN 06934858), who retires by rotation and, being eligible, seeks re-appointment.

**SPECIAL BUSINESS:**

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

**"RESOLVED THAT** pursuant to Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, to the extent applicable, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.18,000/- (Eighteen thousand only) plus GST as applicable, to be paid to M/s. G.K. Gupta & Company, (Firm Registration No. 100205), Cost Accountants, Cost Auditors of the Company, for the financial year 2018-19, as approved by the Board of Directors of the Company, be and is hereby ratified."

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, the consent of the Company be and is hereby accorded to charge from a member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode if any request has been made by such member for delivery of such document to him through such mode of service provided such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, directors of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.

July 26, 2018

By Order of the Board of Directors

### Registered Office :

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

Sd/-  
**(Anshu Gupta)**  
Company Secretary  
(Membership No. A55027)

### Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the company. The proxy form duly completed and stamp must reach the Registered Office of the company at 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Dehra, Teh.: Chomu, Jaipur-303806, not less than 48 hours before the time of holding the aforesaid meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder as per Section 105 of Companies Act, 2013.
3. Members, authorized representatives and Proxies attending the Meeting are requested to bring their attendance slip duly filled along with their copy of Annual Report to the Meeting. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Meeting is annexed hereto. Additional information, pursuant to Listing Regulations and Secretarial Standard on General Meetings in respect of Director seeking re-appointment/appointment at the Annual General Meeting is furnished as **Annexure** to the Notice.
5. Corporate Members are requested to send a duly certified true copy of the Board Resolution together with the respective specimen signature of the representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
6. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
7. The Register of Directors and KMP and their shareholding and register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 will be available for inspection by the members at AGM.

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

8. Members desiring any information/clarification relating to the Financial Statements of the Company are requested to write to the Company well in advance so as to enable the management to keep the information ready. Members are requested to visit the website of the company viz. [www.rajtube.com](http://www.rajtube.com) for viewing the quarterly and annual financial results and for more information of the company.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
10. Electronic copy of Annual report 2018 and Notice of the 32<sup>nd</sup> Annual General Meeting of the Company inter alia, indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email address, physical copies of the Notice of the 32<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
11. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, September 24, 2018 to Saturday, September 29, 2018, (both days inclusive) for the purpose of the Annual General meeting of the Company.
12. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification for Appointment of Auditors, who were appointed in the Annual General Meeting held on 24<sup>th</sup> September, 2016.
13. Members holding shares in electronic mode are requested to intimate any change in their address or bank mandates to the Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company/Company's Registrar and Transfer Agents, i.e. Beetal Financial and Computer Services Pvt. Ltd.
14. In compliance with the provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Listing Regulations, the company is pleased to offer remote e-voting for the members to enable them to cast their votes electronically on all resolutions set forth in this notice.
15. The facility for voting through Ballot/Polling Paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote-voting shall be able to exercise their right at the meeting.
16. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**17. The instructions for shareholders for remote e-voting are as under:**

- (i) The voting period begins on 26<sup>th</sup> September, 2018 at 10:00 a.m. and ends on 28<sup>th</sup> September 2018 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 22<sup>nd</sup> September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first-time user follow the steps given below:

Particulars	For Members holding shares in Demat Form and Physical Form
PAN	<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>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for M/s Rajasthan Tube Manufacturing Company Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

### General instructions

- a. The e-voting period commences on Sept 26, 2018 (10.00 a.m.) and ends on Sept 28, 2018 (5:00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September, 22, 2018, may cast their vote electronically. The e-voting module shall also be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September, 22, 2018 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- c. Shri Giriraj Prasad, Practicing Chartered Accountant (Membership Number 073380), Jaipur has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- d. The Scrutinizer shall, on the date of the Annual General Meeting after unblocking the votes cast at the meeting, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.
- e. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on September, 22, 2018.
- f. The result declared along with the Scrutinizer's Report shall be placed on the Company's websites [www.rajtube.com](http://www.rajtube.com) and on the website of CDSL within three days of the passing of the resolutions at the 32<sup>nd</sup> Annual General Meeting of the company on September 29, 2018, and communicated to the BSE Ltd.

All documents referred to in the accompanying Notice and the Statement pursuant to Section 102 (1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 32<sup>nd</sup> Annual General Meeting of the Company.

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

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

**Item No. 3**

The Board of Directors of the Company in its meeting held on 30<sup>th</sup> May,2018,approved the appointment and remuneration of M/s G K Gupta & Co., Cost Accountants upon the recommendation of Audit Committee to conduct the cost audit of the cost records of the company for the financial year 2018-19, 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) riles,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. 3 of the Notice for approval by the members.

**Item No. 4**

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed.

Further, proviso to sub-section (2) of Section 20 states that a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its Annual General Meeting. Accordingly, the Board of Directors in their meeting held on July 26, 2018 has proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery.

The Board of Directors of the Company recommends the Ordinary Resolution as set out at item no. 4 of the Notice for approval of the members.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed Resolution as set out in the Notice, except to the extent of their shareholding, if any, in the Company.

July 26, 2018

By Order of the Board of Directors

**Registered Office :**

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

Sd/-  
**(Anshu Gupta)**  
Company Secretary  
(Membership No. A55027)



**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**ANNEXURE TO THE NOTICE**

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

<b>Particulars</b>	<b>Mrs. Rajshree Patni</b>
DIN	06934858
Date of Birth	28/03/1987
Date of Appointment	27/09/2014
Brief Profile/Experience / Qualification	Mrs. Rajshree Patni is Graduate and she holds experience of around 4 years in administration of the company
Directorship held in other listed entities	Nil
Memberships in the Committees of Board of other listed Companies	Nil
Membership and Chairmanship in the Committees of the Board of the Company	Nil
Shareholding in the Company	243219
Relationship with any Director(s)	Daughter-in-law of Harish Chand Jain, Managing Director of Company
Terms and conditions of reappointment	Occupies the position of Executive Director and liable to retire by rotation as per the provisions of Section 152 of the Companies Act, 2013 and being eligible Offers herself for re-appointment.
Details of last drawn remuneration	Nil

July 26, 2018

By Order of the Board of Directors

**Registered Office :**

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

Sd/-  
**(Anshu Gupta)**  
Company Secretary  
(Membership No. A55027)

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**RAJASTHAN TUBE MANUFACTURING  
COMPANY LIMITED**

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting their 32<sup>nd</sup> Annual Report on the businesses and operations of your company together with audited statement of accounts for the year ended on 31st March, 2018.

**FIRST YEAR OF IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS (Ind AS):**

This is the first year of implementation of the Indian Accounting Standards (Ind AS). The Standalone financial statements of the year ended March 31, 2018 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. The Financial Statements for the year ended March 31, 2017 have been restated in accordance with the Ind AS comparative information.

**FINANCIAL PERFORMANCE :**

	<b>For the year ended on 31.3.2018 (Rs.in lacs)</b>	<b>For the year ended on 31.3.2017 (Rs.in lacs)</b>
Total Sales	7725.28	7384.77
Other Income	2.38	9.37
Total Income	7727.66	7394.14
Profit before Interest & Depreciation	304.17	68.40
Interest	223.84	239.37
Profit/(Loss) before depreciation	80.33	(170.97)
Depreciation	10.74	12.77
Profit/(Net Loss) before Taxation	69.59	(183.74)
Provision for Taxation	3.5	-
Deferred Tax(Net)	28.14	(56.78)
Profit/(Net Loss) after Taxation	37.95	(126.96)
Balance brought forward from previous year	123.60	250.56
Profit available for appropriation	161.55	-
Balance carried to Balance Sheet	161.55	123.60

**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 last financial year. During the year under

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

review, the sales and other income during the year increased to Rs.7727.66 Lacs as compared to Rs. 7394.14 Lacs in the previous year. The Profits after tax during the year is Rs.37.95 lacs as compared to a Loss of Rs.126.96 lacs in the previous year.

### **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, except that Ms. Komal Jain, Company Secretary of the Company has been resigned from the company w.e.f. 14<sup>th</sup> April, 2018 and in place of her Ms. Anshu Gupta (M.No. A55027), has been appointed as Company Secretary of the Company w.e.f. 2<sup>nd</sup> May, 2018.

### **MATERIAL ORDERS:**

In pursuance to Rule 8 (5) (vii) of the Companies (Accounts) Rules, 2014, No significant or material orders were passed by the Regulators or courts or tribunals which impact the going concern status and company's operation in future.

### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

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

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

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

### **DEPOSITS:**

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

### **STATUTORY AUDITORS:**

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

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### 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, 2018 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.

### 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, 2019. The remuneration proposed to be paid to the Cost Auditor requires ratification in terms of Section 148 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 and is accordingly forms part of the notice convening the AGM.

### SECRETARIAL AUDITOR:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Ms. Megha Khandelwal Company Secretary in Whole Time Practice, to undertake the Secretarial Audit of the Company for the financial year 2017-18. 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.

### 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, 2018 was Rs. 44,99,85,000. 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, 2018, none of the Directors of the company hold any convertible instruments of the company.

### EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the company as provided under section 92(3) Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is annexed herewith as **Annexure-I** in the prescribed Form MGT-9 to this Report.

### 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.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### **CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of CSR are not applicable to the company for the Financial Year 2017-2018 as the company does not fall under the provisions of Section 135 of the Companies Act, 2013.

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

- a) **Directors** - In accordance with the provisions of the Act and the Articles of Association of the Company, Smt. Rajshree Patni, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offer herself for re-appointment.
- 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 (Chairman & Managing Director) Mr. Pradeep Jain (Chief Financial Officer) and Ms. Komal Jain (Company Secretary).
- \* Ms. Komal Jain Company Secretary has resigned on 14.04.2018 in place of her Ms. Anshu Gupta has been appointed as Company Secretary of the Company w.e.f., 02.05.2018.

### **INDEPENDENT DIRECTORS AND DECLARATION:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:**

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board. The current policy is to have a balance mix of executive and non-executive Independent Directors to maintain the Independence of the Board, and separate its function of governance and management. As at 31 March, 2018, the Board of Directors comprises of 5 Directors including 1 women Director of which 3 are non-executive. The number of Independent Directors is 3, which is one half of the total numbers of Directors. The Policy of the Company on Directors appointment including criteria for determining qualifications, positive attributes, independence of Directors and other matters as required under Section 178 of Companies Act 2013 is governed by Nomination Policy read with Company's policy on appointment/reappointment of Independent Directors. The remuneration paid to the Directors is in accordance with the remuneration policy of the Company.

### **PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE:**

The Company is committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **EVALUATION OF BOARDS PERFORMANCE:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

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

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

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

### **NO. OF BOARD MEETINGS:**

During the year 2017-2018, 8 (Eight) 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.

### **AUDIT COMMITTEE:**

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Act. The Audit Committee comprises three (3) Independent Directors namely Shri Sunil Kumar Jain (Chairman), Shri Deepesh Jain and Shri Mahendra Kumar Jain as other members. All the members of the committee possess sound knowledge of Accounts, Audit, Finance, Internal Control etc. During the year 2017-18, 4 (Four) meetings of Audit Committee were held and not more than 120 days lapsed between two consecutive meetings of the Audit Committee.

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

### **NOMINATION & REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee comprises three (3) Independent Directors namely Shri Deepesh Jain (Chairman), Shri Sunil Kumar Jain and Shri Mahendra Kumar Jain as other members. During the Financial year 2017-18 only one meeting of Nomination and Remuneration Committee were held.

### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The company has a vigil mechanism policy to deal with instance of fraud and mismanagement, if any. The detail of the policy is posted on the website of the company weblink for the same is <http://rajtube.com/data/blower.pdf>.

### **PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:**

There is no outstanding loan & guarantee at the year end as prescribed under section 186 of the Companies Act, 2013. The company has not made any investment during the year as prescribed under section 186 of the Companies Act, 2013. The details of investments held as on 31.03.2018 are given in Financial Statements.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

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

Also, refer note no. 35 of the financial statements as at 31st March, 2018 which forms part of this Annual Report for details of related party transactions.

### MANAGERIAL REMUNERATION/PARTICULARS OF EMPLOYEES:

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

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

EXECUTIVE DIRECTORS	RATIO TO MEDIAN REMUNERATION
Mr. Harish Chand Jain	2.79
Mrs. Rajshree Patni	-

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

II. The remuneration of any of the directors/CFO/CS did not increase in the relevant financial year.

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

Median Remuneration the end of F.Y. 2016-17	Median Remuneration at the end of F.Y. 2017-2018	% increase in the median at remuneration of employees
225235	258000	14.54

\*While calculating median remuneration, remuneration of only those employees is considered who were in employment for the complete financial year 2017-2018.

IV. The number of permanent employees on the payroll of the company at the end of the relevant financial year: 29

V. There is no increase in the remuneration of employees or Key managerial personnel, hence comparison is not made.

VI. There is no variable component of remuneration availed by directors in the relevant financial year.

VII. The company affirms the remuneration is as per the remuneration policy of the company.

VIII. None of the directors of the company (MD or WTD) receives any commission from company.

IX. None of the employee of the Company is drawing more than Rs.10200000/- per annum or Rs 850000/- per month or for the part of the year, during the year under review therefore particulars of the employees as required under section 197 of the Companies Act, 2013 read with rule 5(2) & rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not applicable, during the year under review.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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	Commencement of Employment	Last Employment	% of Equity Shares Held	Whether Relative of Director
SAURABH JAIN	34	480000/-	Marketing manager	ONROLL EMPLOYEE	B.COM	March 2014	Un-employed	2.40 %	YES
PRADEEP JAIN	37	480000/-	CFO	ONROLL EMPLOYEE	B.COM	October 2014	Un-employed	4.24%	YES
KOMAL JAIN	26	264000/-	COMPANY SECRETARY	ONROLL EMPLOYEE	M.COM, CS	Nov 2016	Un-employed	-	NO
RAJENDRA YADAV	23	261600/-	Mill Operator	ONROLL EMPLOYEE	12th	April 2017	Un-employed	-	NO
SHISHRAM GURJAR	54	261600/-	lInd Mill Operator	ONROLL EMPLOYEE	12th	April 2017	Un-employed	-	NO
GOPAL JAT	43	260400/-	Fitter	ONROLL EMPLOYEE	10th	April 2017	Un-employed	-	No
SITA RAM GURJAR	42	260400/-	Dispatch Incharge	ONROLL EMPLOYEE	B.A.	April 2017	Un-employed	-	NO
MANISH MEENA	24	260400/-	COC Operator	ONROLL EMPLOYEE	12th	April 2017	Un-employed	-	NO
RADHE SHYAM JAT	45	260400/-	Welder	ONROLL EMPLOYEE	12th	April 2017	Un-employed	-	NO
GIRDHARI VERMA	36	258000/-	Crain Operator	ONROLL EMPLOYEE	12 <sup>th</sup>	April 2017	Un-employed	-	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.

### **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.



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

In Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed with proper explanation relating to material departures.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profits of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a 'going concern' basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **LISTING OF SHARES:**

The shares of the company are listed on the Bombay Stock Exchange Limited. The company has paid annual listing fees for the financial year 2018-2019.

### **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.pdf>

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

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

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

#### **a) INDUSTRY STRUCTURE & DEVELOPMENT:**

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

#### **b) OPPORTUNITIES, THREATS RISK & CONCERNS:**

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

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

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

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

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

**c) SEGMENT:**

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

**d) OUTLOOK:**

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

**e) INTERNAL CONTROL SYSTEM:**

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

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

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

**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.

July 26, 2018

**Registered Office**

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

For and on Behalf of the Board

**-Sd-**

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

**-Sd-**

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

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### CEO / CFO CERTIFICATE

To,

The Board of Directors

Rajasthan Tube Manufacturing Company Limited

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

1. We have reviewed financial statements and the cash flow statement and Board's Report of Rajasthan Tube Manufacturing Company Limited for the year ended 31st March, 2018 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 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 (Chief Financial Officer)

Dated : 30<sup>th</sup> May, 2018

**Pradeep Jain**

**(Harish Chand Jain)**

Chairman & Managing Director

(DIN No. 01504391)

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

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and Senior Management Personnel of the Company. The same has also been posted on the weblink <http://rajtube.com/data/cc.pdf> It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2018 as envisaged in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

For the purpose of this declaration, senior management personnel means the members of the Management one level below the Managing Director of the Company as 31 March, 2018.

**Registered Office :**

28-37, Banke Bihari Industrial Area,

Jatawali Mod, Maharkala Road, Dehra,

Teh.: Chomu, Distt. JAIPUR-303806

Dated : 30<sup>th</sup> May, 2018

Sd/-

**(HARISH CHAND JAIN)**

CHAIRMAN & MANAGING DIRECTOR

(DIN No. 01504391)

## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
Rajasthan Tube Mfg. Co. Ltd.

We have examined the compliance of conditions of Corporate Governance by Rajasthan Tube Mfg. Co. Ltd., for the year ended on March 31, 2018, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company to ensure compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with the stock exchanges.

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

For **GIRIRAJ & LOHIYA**  
Chartered Accountants  
(Registration No. 006031C)

Jaipur  
Dated : 30<sup>th</sup> May, 2018

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

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

Annexure- I

**EXTRACT OF ANNUAL RETURN****FORM NO. MGT-9**

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

**I. REGISTRATION AND OTHER DETAILS :**

CIN	L27107RJ1985PLC003370
REGISTRATION DATE	29/07/1985
NAME OF THE COMPANY	RAJASTHANTUBE MANUFACTURING COMPANY LIMITED
CATEGORY/SUB-CATEGORY OF THE COMPANY	PUBLIC COMPANY/LIMITED BY SHARES
ADDRESS OF THE REGISTERED OFFICE AND CONTACT DETAILS	28-37, BANKE BIHARI INDUSTRIAL AREA, JATAWALI MOD, MAHARKALA ROAD, DEHRA, TEH.: CHOMU, DISTT. JAIPUR-303806 EMAIL: RAJTUBE@HOTMAIL.COM
LISTED COMPANY (YES/NO)	YES
NAME, ADDRESS AND CONTACT DETAILS OF REGISTRAR AND TRANSFER AGENT	BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD., BEETAL HOUSE, 3 <sup>RD</sup> FLOOR, 99 MADANGIR, BEHIND LOCAL SHOPPING CENTRE, NEAR DADA HARSUKH DAS MANDIR, NEW DELHI-110062 Tel No. 91-11-2996 1281-83 Fax- 91-11-2996 1284

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

S.NO.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	ERW Steel Tube Pipes	99611925	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- NIL**

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	1359766	0	1359766	30.16	1748126	0	1748126	38.78	8.62
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	545938	0	545938	12.11	545938	0	545938	12.11	0
e) Banks / FI									
f) Any other (Director & their relatives)	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)</b>	<b>1905704</b>	<b>0</b>	<b>1905704</b>	<b>42.27</b>	<b>2294064</b>	<b>0</b>	<b>2294064</b>	<b>50.89</b>	<b>8.62</b>
<b>B. Public Shareholding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>1. Institutions</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	288623	115700	404323	8.97	91307	115700	207007	4.59	(4.38)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	597447	416266	1013713	22.48	626346	414666	1041012	23.09	0.61
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	589974	117658	707632	15.70	369641	117658	487299	10.81	(4.89)
c) Others (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	7492	29500	36992	0.82	7540	28500	36040	0.80	(0.02)
Clearing Members									
HUF	439436	0	439436	9.75	442378	0	442378	9.81	0.06
<b>Sub-total (B)(2):-</b>	<b>1922972</b>	<b>679124</b>	<b>2602096</b>	<b>57.73</b>	<b>1537212</b>	<b>676524</b>	<b>2213736</b>	<b>49.11</b>	<b>(8.62)</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	1922972	679124	2602096	57.73	1537212	676524	2213736	49.11	(8.62)
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>3828676</b>	<b>679124</b>	<b>4507800</b>	<b>100</b>	<b>3831276</b>	<b>676524</b>	<b>4507800</b>	<b>100</b>	<b>100</b>

### ii) Shareholding of Promoter :

S. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2017			Share holding at the end of the year 31.03.2018			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Tridev Finance Co. Ltd.	545938	12.11	-	545938	12.11	-	0
2	Kanta Devi Jain	182550	4.05	-	0	0	-	0
3	Saurabh Jain	203822	4.52	-	338822	7.52	-	3.00
4	Harish Chand Jain	282796	6.27	-	532158	11.81	-	5.54
5	Pradeep Jain	190849	4.23	-	190849	4.23	-	0
6	Rajshree Patni	169661	3.76	-	243219	5.40	-	1.64
7	Deepika Manakchand Jain	330088	7.32	-	443078	9.83	-	2.51
	<b>Total</b>	<b>1905704</b>	<b>42.27</b>	<b>-</b>	<b>2294064</b>	<b>50.89</b>	<b>-</b>	<b>8.62</b>

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Harish Chand Jain Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	282796 249362	6.27	282796 532158	6.27 11.81%
2.	Deepika Manakchand Jain Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	330088 112990	7.32	330088 443078	7.32% 9.82%
3.	Saurabh Jain Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	203822 135000	4.52	203822 338822	4.52 7.51
4.	Rajshree Patni Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	169661 73558	3.76	169661 243219	3.76 5.40
5.	Kanta Devi Jain Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	182550 (182550)	4.04	182550 0	4.04 0

\* There is no change in the shareholding of any other promoters/directors between 01.04.2017-31.03.2018.

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

S. No.	For Each of the top ten shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Binod Kumar Tholia	412547	9.15	412547	9.15
2.	Raj Kumari Tholia	223500	4.95	223500	4.95
3.	Subramanian P	93080	2.06	93080	2.06
4.	Transpower Marketing (P) Ltd	50000	1.11	50000	1.11
5.	Sushma Mercantile (P) Ltd	50000	1.11	50000	1.11
6.	Dipak Shah	2799	0.062	28958	0.64
7.	Lata Jain	25040	0.56	25040	0.56
8.	B Lodha Securities Ltd.	25000	0.55	25000	0.55
9.	B Raj Capfin Private Limited	24000	0.53	24000	0.53
10.	Anurag Jain	22170	0.49	22170	0.49



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**v) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Harish Chand Jain - MD Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	282796 249362	6.27	282796  532158	6.27  11.81%
2.	Rajshree Patni –Director Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	169661 73558	3.76	169661  243219	3.76  5.40
3.	Pradeep Jain (CFO) Opening Balance Transactions (Purchase/Sale) from 1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2018 Closing Balance	190849 0	4.23	190849  190849	4.23  4.23

\*The directors and KMP (except above) do not hold any shares in the company during the financial year 2017-18.

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	174531767	-	-	174531767
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	174531767	-	-	174531767

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	24748435	-	-	24748435
<b>Net Change</b>	24748435	-	-	24748435
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	149783332	-	-	149783332
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	149783332	-	-	149783332

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

<b>S.No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/ Manager</b>	<b>Total Amount</b>
		HARISH CHAND JAIN (M.D)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	720000	720000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total (A)	720000	720000
	Ceiling as per the Act	84 lakhs	-

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**B. Remuneration to other directors**

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

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

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

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		Komal Jain	Pradeep Jain	Total
1	Gross salary	264000	480000	744000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	264000	480000	744000

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NIL**

**Registered Office**

28-37, Banke Bihari Industrial Area,  
Jatawali Mod, Maharkala Road, Dehra,  
Teh.: Chomu, Distt. JAIPUR-303806  
Dated : July 26, 2018

For and on Behalf of the Board

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

-Sd-  
**(HARISH CHAND JAIN)**  
CHAIRMAN & MANAGING DIRECTOR  
(DIN No. 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**

**1. Details of contracts or arrangements or transactions not at arm's length basis**

NONE; DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS.

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

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

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

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

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

**Registered Office**

28-37, Banke Bihari Industrial Area,  
Jatawali Mod, Maharkala Road, Dehra,  
Teh.: Chomu, Distt. JAIPUR-303806  
Dated : July 26, 2018

For and on Behalf of the Board

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

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

**FORM NO.MR-3**  
**SECRETARIAL AUDIT REPORT**

**For the Financial Year ended 31.03.2018**

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

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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rajasthan Tube Manufacturing Company Ltd (CIN: L27107RJ1985PLC003370) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - (Not Applicable to the Company during the Audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not Applicable to the Company during the Audit period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not Applicable to the Company during the Audit period)

I have also examined compliance with the applicable clauses of The Listing Agreements entered into by the Company with Stock Exchanges and the Secretarial Standards as issued by the Institute of the Company Secretaries of India.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes took place in the composition of the Board of Directors during the period under review.

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

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

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

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

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

Place : Jaipur  
Date : July 26, 2018

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

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### Annexure A

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

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

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

We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

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

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

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

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

Place : Jaipur  
Date : July 26, 2018

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

## **INDEPENDENT AUDITORS' REPORT**

To  
The Members of  
RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and the statement of changes in equity 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, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncement issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

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

### **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its Profits (comprising of other comprehensive income), its cash flows and changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

- 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 "**AnnexureB**";
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements as of March 31, 2018.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

Jaipur  
Dated : 30<sup>th</sup> May, 2018

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

**(GIRIRAJ PRASAD)**  
Partner  
(Membership No. 73380)

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

**Re. Rajasthan Tube Manufacturing Company Limited :**

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
3. 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.
4. In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities granted in respect of which provisions of Section 185 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.
5. The Company has not accepted any deposits from public.
6. We have broadly reviewed the books of accounts maintained by the Company, pursuant to rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

Name of the Statute	Nature of the Dues	Period to which the amt. Relates	Amount Rs.	Forum where the dispute is pending
Employees State Insurance Act.	ESI	1998-2000	94087	Employees State Insurance Court
RVAT ACT 2003	VAT	2013-2014	1130345	Appellate Authority

- b) According to the records of the company, there are no disputed amounts that have not been deposited with appropriate authorities on account of Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Sales Tax, Cess, Service Tax.
8. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. Further, the Company does not have any debentures and loan from financial institution or government.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

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

Jaipur  
Dated : 30<sup>th</sup> May, 2018

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

**(GIRIRAJ PRASAD)**  
Partner  
(Membership No. 73380)

**Annexure - B to the Auditors' Report  
Report on the Internal Financial Controls under Clause (i)  
of Sub-section 3 of Section 143 of the Companies Act, 2013  
("the Act")**

We have audited the internal financial controls over financial reporting of Rajasthan Tube Manufacturing Company Limited ("the Company") as of 31 March 2018 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

## **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.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Jaipur  
Dated : 30<sup>th</sup> May, 2018

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

**(GIRIRAJ PRASAD)**  
Partner  
(Membership No. 73380)

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Note No.	As at 31.03.2018 (Rs.)	As at 31.03.2017 (Rs.)	As at 01.04.2016 (Rs.)
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	3	17947678	18979103	20197376
(b) Financial Assets				
(i) Investments	4	907000	907000	907000
(ii) Loans	5	15196123	15196123	14922838
(c) Deferred tax assets (net)	6	11959996	14773929	9096312
(d) Other non-current assets	7	217562	217562	217562
<b>Total Non-Current Assets</b>		<b>46228359</b>	<b>50073717</b>	<b>45341088</b>
<b>Current assets</b>				
(a) Inventories	8	123470341	190445776	225251730
(b) Financial Assets				
(i) Trade receivables	9	100380422	108871353	101497427
(ii) Cash and cash equivalents	10	2842082	1192013	2318790
(iii) Bank balances other than (ii) above	11	3000000	11650000	12249000
(iv) Other Financial Assets	12	8818806	29145359	69382579
(c) Other current assets	13	1060306	1156183	1511843
<b>Total Current Assets</b>		<b>239571957</b>	<b>342460684</b>	<b>412211369</b>
<b>Total Assets</b>		<b>285800316</b>	<b>392534401</b>	<b>457552457</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	14	44998500	44998500	44998500
(b) Other Equity	15	40517086	36721623	49418175
<b>Total Equity</b>		<b>85515586</b>	<b>81720123</b>	<b>94416675</b>



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### LIABILITIES

#### Non-current liabilities

##### (a) Financial Liabilities

(i) Borrowings	16(i)	0	0	226592
(b) Provisions	17(i)	329749	0	0

#### Total Non- Current Liabilities

		329749	0	226592
--	--	--------	---	--------

#### Current liabilities

##### (a) Financial Liabilities

(i) Borrowings	16(ii)	149783332	174531767	205267285
(ii) Trade payables	18	48580094	123632100	143594819
(iii) Other financial liabilities (other than those specified in item (c))	19	0	0	198496

##### (b) Other current liabilities

	20	1177595	2310708	3522196
--	----	---------	---------	---------

##### (c) Provisions

	17(ii)	413960	10339703	10326394
--	--------	--------	----------	----------

#### Total Current Liabilities

		199954981	310814278	362909190
--	--	-----------	-----------	-----------

#### Total Equity and Liabilities

		285800316	392534401	457552457
--	--	-----------	-----------	-----------

#### SIGNIFICANT ACCOUNTING POLICIES

#### NOTE ON FINANCIAL STATEMENTS

1-46

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

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

**(GIRIRAJ PRASAD)**  
PARTNER  
(Membership No. 73380)

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

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

**(PRADEEP JAIN)**  
CFO

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

JAIPUR,  
30<sup>th</sup> May, 2018

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED  
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2018**

	Note No.	For the Year 31.03.2018 (Rs.)	For the Year 31.3.2017 (Rs.)
I. Revenue From operations	21	772528274	738477337
II Other Income	22	237635	936627
<b>III Total Income (I+II)</b>		<u>772765909</u>	<u>739413964</u>
<b>IV. EXPENSES</b>			
Cost of materials consumed	23	641609848	739182774
Purchases of Stock-in-Trade	24	6217834	0
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	25	72485503	(28960637)
Employee benefits expense	26	7520687	7186426
Finance costs	27	22384475	23937400
Depreciation and amortization expenses	3	1073749	1276823
Other expenses	28	14514417	15165347
<b>Total expenses (IV)</b>		<u>765806513</u>	<u>757788133</u>
<b>V Profit/(loss) before exceptional items and tax (III-IV)</b>		6959396	(18374169)
VI Exceptional Items		0	0
<b>VII Profit/ (loss) before tax(V-VI)</b>		6959396	(18374169)
VIII Tax expense:			
(1) Current tax		350000	0
(2) Deferred tax		2813933	(5677617)
Total Tax Expense		<u>3163933</u>	<u>(5677617)</u>
<b>IX Profit/(loss) for the period (VII-VIII)</b>		3795463	(12696552)
X Other Comprehensive Income		0	0
<b>XI Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<u>3795463</u>	<u>(12696552)</u>
XII Earnings per equity share (Face value Rs.10/-each):			
(1) Basic		0.84	(2.81)
(2) Diluted		0.84	(2.81)

**SIGNIFICANT ACCOUNTING POLICIES  
NOTE ON FINANCIAL STATEMENT**

1-46

As per our Report of even date Attached

For **GIRIRAJ & LOHIYA**  
Chartered Accountants  
(FRN-006031C)  
**(GIRIRAJ PRASAD)**  
PARTNER  
(Membership No. 73380)

JAIPUR,  
30<sup>th</sup> May, 2018

FOR AND ON BEHALF OF THE BOARD

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

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

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CFO

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

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018**

	Year Ended 31-3-2018	Year Ended 31-3-2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit/Loss before Tax and Extra-ordinary items</b>	<b>6959</b>	<b>(18374)</b>
Adjustments For:		
Depreciation	1074	1277
Profit/Loss on sale of Fixed Assets	-	-
Interest Received	(238)	(937)
Finance Cost	22384	23937
	-----	-----
<b>Operating Profit before working Capital Changes</b>	<b>30179</b>	<b>5903</b>
<b>Adjustments for (increase)/ decrease in Operating Assets:</b>		
Decrease/(Increase) in Trade and other Receivables	8491	(7374)
Decrease/(Increase) Inventories	66975	34806
Decrease/(Increase) in Long Term Loans and Advances	-	(273)
Decrease/(Increase) in Short Terms Loans & Advances	20327	40237
Decrease/(Increase) in Other Non-Current Assets	-	-
Decrease/(Increase) in Other Current Assets	96	356
<b>Adjustments for increase/ (decrease) in Operating Liabilities:</b>		
(Decrease)/Increase in Trade Payables	(75052)	(19962)
(Decrease)/Increase in Short Term Provisions	(9926)	13
(Decrease)/Increase in Long Term Provisions	329	-
(Decrease)/Increase in Other Current Liabilities	(1133)	(1410)
	-----	-----
<b>Cash Generated from Operations</b>	<b>40286</b>	<b>52296</b>
Less: Income Tax Paid	350	-
	-----	-----
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>39936</b>	<b>52296</b>
	-----	-----
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
(Increase)/Decrease in Property, Plant and Equipment including Capital Advances	(42)	(59)

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

Interest Received	238	937
Bank deposit not considered as cash and cash equivalents	8650	599
Increase/(Decrease) in Long Term Borrowings	-	(227)
	-----	-----
<b>NET CASH (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>8846</b>	<b>1250</b>
	-----	-----
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) in Short Term Borrowings	(24748)	(30736)
Interest Paid	(22384)	(23937)
	-----	-----
<b>NET CASH (USED IN)/ FROM FINANCING ACTIVITIES</b>	<b>(47132)</b>	<b>(54673)</b>
	-----	-----
Net Increase/Decrease in Cash and Cash Equivalents(A+B+C)	1650	(1127)
Cash and Cash Equivalents at the beginning of the period	<b>1192</b>	<b>2319</b>
	-----	-----
Cash and Cash Equivalents at the end of the period	<b>2842</b>	<b>1192</b>
	-----	-----

Note : Figures in Brackets Represent Outflows.

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENTS 1-46

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

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

**(GIRIRAJ PRASAD)**  
PARTNER  
(Membership No. 73380)

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(Membership No. A55027)

JAIPUR,  
30<sup>th</sup> May, 2018

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
For the year ended 31 March, 2018**

**A. Equity Share Capital** (Amount in Rs)

Balance as at 01.04.2016	Changes in equity share capital during the year	Balance as at 31.03.2017	Changes in equity share capital during the year	Balance as at 31.03.2018
44998500	0	44998500	0	44998500

**B. Other Equity** (Amount in Rs)

Particulars	Reserve and Surplus				Other items of Other Comprehensive Income (Actuarial gain/loss)	Total
	General Reserve	Securities Premium Reserve	Investment Allowance Utilization Reserve	Retained Earning		
Balance as at 01.04.2016	6101636	16539000	1747490	25056549	0	49444675
Less allotment money due towards premium account	0	-26500	-	-	-	-26500
<b>Net Balance as at 01.04.2016</b>	6101636	16512500	1747490	25056549	0	49418175
Profit/Loss for the period				(12696552)	0	(12696552)
<b>balance at the end of 31.03.2017</b>	6101636	16512500	1747490	12359997	0	36721623
Profit/ Loss for the period				3795463	0	3795463
<b>balance as at 31.03.2018</b>	6101636	16512500	1747490	16155460	0	40517086

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENTS

1-46

As per our Report of even date Attached

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

**(GIRIRAJ PRASAD)**  
PARTNER  
(Membership No. 73380)

JAIPUR,  
30<sup>th</sup> May, 2018

FOR AND ON BEHALF OF THE BOARD

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

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

**(PRADEEP JAIN)**  
CFO

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

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

#### I. NOTES 1 TO 46 : NOTES FORMING PART OF THE FINANCIAL STATEMENTS

##### 1. CORPORATE INFORMATION:

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

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

##### 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY :

###### (A) BASIS OF PREPARATION

###### (i) STATEMENT OF COMPLIANCE WITH IND AS:

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

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

Financial statements are presented in Rs. which is the functional currency of the Company and all values are rounded to the nearest rupee.

###### FIRST TIME ADOPTION OF IND AS

The company has adopted all the Ind AS standards and the adoptions was carried out in accordance with Ind AS 101 First time Adoption of Indian Accounting Standards including clarification issued by Ind AS Transition Facility Group (ITFG) on various issues. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

These financial statements for the year ended 31<sup>st</sup> March, 2018 are the first financial statements of the company under Ind AS. The date of transition to Ind AS is 1<sup>st</sup> April, 2016. Reconciliation and descriptions of the effect of the transition has been summarized in Note No. 40(A) to 40(D) for an Explanation of how the transition from Indian GAAP (IGAAP) to Ind AS has affected the Company's Financial Position, Financial Performance and Cash Flows.

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Company Act, 2013.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

### **(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 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.

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

### **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 RECOGNATION:**

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.



## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

### **(G) INVESTMENT:**

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

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

### **(H) BORROWING COSTS:**

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

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

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

### **(I) EMPLOYEE BENEFITS:**

- i) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss accounted of the year in which the related services are rendered. Benefits such as salaries, bonus, incentives etc. are recognized in the period in which employees rendered services. Employee benefit such as PF, family pension, ESI etc. are treated as defined contribution plan and such contributions are charged to P&I account when contribution to the respective funds are applicable and due.
- ii) the company's liability on account of gratuity are determined at each financial year on the basis of actuarial valuation in respect of eligible employees.

### **(J) ACCOUNTING FOR TAXES ON INCOME:**

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

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**(K) CASH FLOW STATEMENT:**

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

**(L) EARNING PER SHARE:**

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

**(M) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

**(N) CASH AND CASH EQUIVALENTS**

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

**(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 amortised cost**

A 'Financial Asset' is measured at the amortised 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

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

- 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 amortised cost using the effective interest rate ("EIR") method. Amortised 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 amortisation is included in finance income in the profit or loss.

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

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

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

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

FVTPL is a residual category for Financial Assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a Financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

### **Derogisation of Financial asset**

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

### **Impairment of financial assets**

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised 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 instrument, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

## **FINANCIAL LIABILITIES**

### **Initial recognition and measurement**

All financial liabilities are recognised 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.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 recognised in the profit or loss.

### **Financial Liabilities at Amortised Cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation 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.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

### (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.

### 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 April, 2016</b>	4752650	23365669	50448136	352296	10922724	1059029	90900504
Addition					58550		
Deduction							
<b>As at 31 March, 2017</b>	4752650	23365669	50448136	352296	10981274	1059029	90959054
Addition						42324	
Deduction							
<b>As at 31 March, 2018</b>	4752650	23365669	50448136	352296	10981274	1101353	91001378
<b>Accumulated Depreciation</b>							
<b>As at 1 April, 2016</b>	0	11665598	48154985	329504	9689797	863244	70703128
Depreciation for the year		561398	227795	2871	408211	76548	1276823
<b>As at 31 March, 2017</b>	0	12226996	48382780	332375	10098008	939792	71979951
Depreciation for the year	0	529166	227795	2871	279097	34820	1073749
<b>As at 31 March, 2018</b>	0	12756162	48610575	335246	10377105	974612	73053700
<b>Carrying Value</b>							
As at 31 March, 2018	4752650	10609507	1837561	17050	604169	126741	17947678
As at 31 March, 2017	4752650	11138673	2065356	19921	883266	119237	18979103
As at 1 April, 2016	4752650	11700071	2293151	22792	1232927	195785	20197376
Useful Life of Assets	-	30-60 year	15 year	10 year	8-10 year	5 year	-

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
<b>4. INVESTMENTS(NON-CURRENT)</b>			
<b>INVESTMENT IN EQUITY INSTUMENTS</b>			
<b>UNQUOTED- OTHERS</b>			
<b>(Valued at Coat unless stated otherwise)</b>			
(A) 54500( 31 <sup>st</sup> March 2017:54500, 1 <sup>st</sup> April 2016:54500) Equity Shares of Tridev Finance Company Limited of Rs.10/- each fully paid up( Fair value of Unquoted Investment as on 31st March 2018: 545000, 31st March 2017 : 545000, 1st April 2016:545000)	545000	545000	545000
<b>(B) INVESTMENT IN GOVERNMENT SECURITIES(Unquoted-Others) At Amortised Cost</b>			
N.S.C. *	362000	362000	362000
<b>TOTAL</b>	<b>907000</b>	<b>907000</b>	<b>907000</b>
<b>UNQUOTED</b>			
Aggregate Carrying Value	907000	907000	907000
<b>TOTAL INVESTMENT AT COST/FAIR VALUE</b>	<b>907000</b>	<b>907000</b>	<b>907000</b>

\* Pledged with Commercial Tax Department.

<b>5. LOANS (UNSECURED,CONSIDERED GOOD)</b>			
<b>PARTICULARS</b>			
SECURITIES DEPOSIT	15196123	15196123	14922838
<b>TOTAL</b>	<b>15196123</b>	<b>15196123</b>	<b>14922838</b>
The amounts due by:			
Directors	NIL	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL	NIL
Firms or Private Companies in which any Director is Partner or Director or a Member	NIL	NIL	NIL

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

	<b>As at 31 March, 2018</b>	<b>As at 31 March, 2017</b>	<b>As at 1 April, 2016</b>
<b>6. DEFERRED TAX ASSETS (NET)</b>			
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	11959996	14773929	9096312
	<hr/>	<hr/>	<hr/>
TOTAL	11959996	14773929	9096312
	<hr/>	<hr/>	<hr/>
<b>7. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)</b>			
INTEREST ACCRUED ON NSC	217562	217562	217562
	<hr/>	<hr/>	<hr/>
TOTAL	217562	217562	217562
	<hr/>	<hr/>	<hr/>
<b>8. INVENTORIES AT LOWER OF COST OR NET REALIZABLE VALUE</b>			
RAW MATERIAL	35601576	31091508	94658099
STOCK –IN-PROCESS	4218979	58875127	42778262
FINISHED STOCK	74822967	92652322	79788550
STORES	8640500	7640500	7840500
SPARES LOOSE TOOLS	186319	186319	186319
	<hr/>	<hr/>	<hr/>
TOTAL	123470341	190445776	225251730
	<hr/>	<hr/>	<hr/>
<b>BREAK UP OF INVENTORIES</b>			
<b>RAW MATERIAL</b>			
HR COILS	35521626	28452549	89803201
ZINC AND OTHERS	79950	2638959	4854898
	<hr/>	<hr/>	<hr/>
	35601576	31091508	94658099
	<hr/>	<hr/>	<hr/>
<b>STOCK IN PROCESS</b>			
SLITTED HR COILS	4218979	58875127	42778262
<b>FINISHED GOODS</b>			
MS PIPES	74822967	92652322	79788550

Note : Inventories have been pledged as security against Cash Credit Facilities to Bank.

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

	<b>As at 31 March, 2018</b>	<b>As at 31 March, 2017</b>	<b>As at 1 April, 2016</b>
<b>9. TRADE RECEIVABLES</b>			
Unsecured, Considered Good	100380422	108871353	101497427
Considered Doubtful	0	0	0
	-----	-----	-----
Total	100380422	108871353	101497427
	-----	-----	-----
<b>Ageing of receivables that are past due but not impaired (UNSECURED, CONSIDERED GOOD)</b>			
DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS	14123959	15837092	18173989
OTHER DEBTS	86256463	93034261	83323438
	-----	-----	-----
TOTAL	100380422	108871353	101497427
	-----	-----	-----
The Amount Dues by:			
Directors	NIL	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL	NIL
Firms or Private Companies in which any Director is Partner or Director or a Member	NIL	NIL	NIL

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

<b>10 CASH AND CASH EQUIVALANTS</b>			
<b>BALANCE WITH BANK</b>			
IN CURRENT ACCOUNT	36805	31664	25943
INTERM DEPOSIT ACCOUNT WITH MATURITY LESS THAN 3 MONTHS AT INCEPTION (Pledged with Bank as Margin Money)	60832	0	0
CASH ON HAND	2744445	1160349	2292847
	-----	-----	-----
TOTAL	2842082	1192013	2318790
	-----	-----	-----



**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
<b>11. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALANTS</b>			
WITH MATURITY MORE THAN 12 MONTHS AT INCEPTION (Pledged with Bank as Margin Money)	3000000	11650000	12249000
	-----	-----	-----
Total	3000000	11650000	12249000
	-----	-----	-----
<b>12. OTHER FINANCIAL ASSETS</b>			
PREPAID EXPENSES	1057358	1995669	2363776
OTHER ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	7761448	27149690	67018803
	-----	-----	-----
TOTAL	8818806	29145359	69382579
	-----	-----	-----
<b>13. OTHER CURRENT ASSETS</b>			
INTEREST ACCRUED ON FDR	23661	58103	281895
TDS RECEIVABLE	1036645	1098080	1229948
	-----	-----	-----
TOTAL	1060306	1156183	1511843
	-----	-----	-----
<b>14. SHARE CAPITAL</b>			
<b>Authorised</b>			
80,00,000 (Previous Year 80,00,000) Equity Shares of Rs.10/- each	8,00,00,000	8,00,00,000	8,00,00,000
<b>Issued, Subscribed &amp; Paid up</b>			
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	4,50,78,000
<b>Less: Allotment Money due towards Capital A/c</b>	79,500	79,500	79,500
	-----	-----	-----
	4,49,98,500	4,49,98,500	4,49,98,500
	-----	-----	-----

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
<b>Reconciliation of Number of Shares Outstanding at the beginning and at the end of the reporting year</b>			
	<b>Number of Shares</b>	<b>Number of Shares</b>	<b>Number of Shares</b>
<b>Equity Shares</b>			
Opening Balance	45,07,800	45,07,800	45,07,800
Changes During The year	0	0	0
Closing Balance	45,07,800	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.**

<b>Equity Shares</b>	<b>Number of Share (%)</b>	<b>Number of Share (%)</b>	<b>Number of Share (%)</b>
TRIDEV FINANCE COMPANY LIMITED	545938 (12.11%)	545938 (12.11%)	392262 (8.70%)
HARISH CHAND JAIN	532158 (11.81%)	282796 (6.27%)	282796 (6.27%)
DEEPIKA MANAK CHAND JAIN	443078 (9.83%)	330088 (7.32%)	330121 (7.32%)
BINOD KUMARTHOLIYA HUF	412547 (9.15%)	412547 (9.15%)	412547 (9.15%)
SAURABH JAIN	338822 (7.52%)	-	
RAJSHREE PATNI	243219 (5.40%)	-	

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

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

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

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
<b>15. OTHER EQUITY</b>			
<b>General Reserve</b>			
Opening balance	6101636	6101636	6101636
	<hr/>	<hr/>	<hr/>
	6101636	6101636	6101636
	<hr/>	<hr/>	<hr/>
<b>Securities Premium Account</b>			
Opening balance	16539000	16539000	16539000
Less : allotment Money due towards Premium account	26500	26500	26500
	<hr/>	<hr/>	<hr/>
	16512500	16512500	16512500
	<hr/>	<hr/>	<hr/>
<b>Investment Allowance Utilization Reserve</b>	1747490	1747490	1747490
<b>Surplus in Statement of Profit and Loss</b>			
Opening balance	12359997	25056549	22755002
Add : Profit/(Loss) for the year	3795463	(12696552)	2301547
	<hr/>	<hr/>	<hr/>
	16155460	12359997	25056549
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>40517086</b>	<b>36721623</b>	<b>49418175</b>
	<hr/>	<hr/>	<hr/>
<b>16. BORROWINGS</b>			
<b>(i) Non-Current</b>			
SECURED LOANS(Note no (i))			
From Other (Sundaram Finance Limited)	0	0	226592
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>226592</b>
	<hr/>	<hr/>	<hr/>
<b>(ii) Current</b>			
SECURED LOANS FROM BANKS ( Note no. (ii))			
ON CASH CREDIT ACCOUNT (WITH SBI)	149783332	174531767	205267285
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>149783332</b>	<b>174531767</b>	<b>205267285</b>
	<hr/>	<hr/>	<hr/>

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
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**NOTE:**

- (i) In the year 2016 the term loan on vehicle is secured by hypothecation of vehicle financed repayment term is 36 equated monthly installments of Rs. 16170 from 03.07.2015 to 03.06.2018 interest rate 10.31% monthly compounded.
- (ii) Working Capital Loan is secured by way of first charge as hypothecation over all the current assets of the company including its book Debts. This loan is further secured by First Charge in respect of other movable and immovable fixed assets of Company and personal guarantee of Shri Harish Chand Jain, Managing Director of the company.

**17. PROVISIONS**

**(i) Non-Current**

PROVISION FOR GRATUITY	329749	0	0
	329749	0	0

**(ii) Current**

PROVISION FOR EXCISE FINISHED GOODS	0	10294703	8865394
PROVISION FOR AUDIT FEES	63000	45000	61000
PROVISION FOR TAXATION	350000	0	1400000
PROVISION FOR GRATUITY	960	0	0
	413960	10339703	10326394

**18. TRADE PAYABLES**

Trade Payables*	48580094	123632100	143594819
	48580094	123632100	143594819

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

**19. OTHER FINANCIAL LIABILITIES**

Current maturities of long term borrowings	0	0	198496
	0	0	198496

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

	<b>As at 31 March, 2018</b>	<b>As at 31 March, 2017</b>	<b>As at 1 April, 2016</b>
<b>20. OTHER CURRENT LIABILITIES</b>			
TDS PAYABLE	15930	11467	6474
OTHER LIABILITIES	1161665	2299241	3515722
	<hr/>	<hr/>	<hr/>
	1177595	2310708	3522196
	<hr/>	<hr/>	<hr/>
<b>21. REVENUE FROM OPERATIONS</b>		<b>Year Ended 31.03.2018</b>	<b>Year Ended 31.03.2017</b>
SALES OF GOODS		794362329	797255451
Excise duty		(21834055)	(58778114)
		<hr/>	<hr/>
		772528274	738477337
		<hr/>	<hr/>
<b>22. Other Income</b>			
INTEREST ON BANK DEPOSIT		183710	862931
OTHER INTEREST		53925	73696
		<hr/>	<hr/>
		237635	936627
		<hr/>	<hr/>
<b>23. COST OF MATERIAL CONSUMED</b>			
INDIGENOUS		641609848	739182774
		<hr/>	<hr/>
		641609848	739182774
		<hr/>	<hr/>
<b>BREAKUP OF RAW MATERIAL CONSUMED</b>			
HR COILS NAD PIPES		641609848	736966835
ZINC AND OTHERS		0	2215939
		<hr/>	<hr/>
		641609848	739182774
		<hr/>	<hr/>
<b>24. PURCHASES OF STOCK IN TRADE</b>			
Purchase		6217834	0
		<hr/>	<hr/>
		6217834	0
		<hr/>	<hr/>

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>25. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK- IN-TRADE</b>		
<b>INVENTORIES (AT OPENING)</b>		
FINISHED GOODS	92652322	79788550
STOCK-IN-PROCESS	58875127	42778262
	<hr/>	<hr/>
	151527449	122566812
	<hr/>	<hr/>
<b>INVENTORIES (AT CLOSING)</b>		
FINISHED GOODS	74822967	92652322
WORK-IN-PROGRESS	4218979	58875127
	<hr/>	<hr/>
	79041946	151527449
	<hr/>	<hr/>
	72485503	(28960637)
	<hr/>	<hr/>
<b>26. EMPLOYEES BENEFIT EXPENSES</b>		
SALARIES WAGES AND BONUS	7099540	7137686
STAFF WELFARE EXPENSES	46870	5259
ESI CONTRIBUTION	11529	9692
PROVIDENT FUND	32039	33789
GRATUITY EXP	330709	0
	<hr/>	<hr/>
	7520687	7186426
	<hr/>	<hr/>
<b>27. FINANCE COSTS</b>		
INTEREST	22384475	23937400
	<hr/>	<hr/>
	22384475	23937400
	<hr/>	<hr/>
<b>28. Other Expenses</b>		
CONSUMPTION OF STORES AND SPARE PARTS	1720666	1861588
POWER AND FUEL	4634992	4315687

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	<b>Year Ended 31.03.2018</b>	<b>Year Ended 31.03.2017</b>
RATE AND TAXES	366904	319266
REPAIRING MAINTENANCE OF PLANT & MACHINERY	14609	136981
LEGAL AND PROFESSIONAL AND CONSULTANCY CHARGES	106040	123980
INSURANCE	405218	353137
TRAVELLING AND CONVEYANCE	213404	216746
PRINTING AND STATIONERY	41894	55331
POSTAGE,TELEGRAM&TELEPHONE	156516	169607
BANK COMMISSION	1051818	2551153
CONSIGNMENT COMMISSION & OTHER EXPENSES	9678	91595
MISCELLANEOUS EXPENSES	1122418	563537
BOARD MEETING EXPENSES	35250	43500
REMUNERATION TO AUDITOR'S	45000	45000
COST AUDIT FEES	18000	18000
VEHICLE RUNNING & MAINTENANCE	4572010	4300239
	14514417	15165347

### II. NOTES ON FINANCIAL STATEMENT :

	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>
<b>29. Contingent Liabilities not provided for:</b>		
(i) <b>Guarantee given by Bank against which the Directors have given counter guarantees.</b>	30600000	50000000
(ii) <b>Letter Credit Outstanding</b>	—	66000000
(iii) <b>Other contingent liabilities</b>		
(a) Claims against the company not acknowledged as debt	NIL	NIL
(b) Disputed Sales tax	1130345	NIL
(iv) <b>Commitments</b>	NIL	NIL
<b>30. Payment to Auditors</b>		
	<b>Current Year</b>	<b>Previous Year</b>
(i) Audit Fees	18500	18500
(ii) Tax Audit	11000	11000
(iii) Reimbursement of Expenses	15500	15500

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (31) There is no pending encashment of leave of employees at the end of year hence no provision is required. In earlier years, the Company did not make any provisions as per AS-15 in the books of accounts as none of the employee has completed prescribed year of service. However, from the current year 2017-18, the company has now 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 this year as per actuarial certificate.

<b>Assumptions as at</b>	<b>31/03/2018</b>
Average Past Service(years)	1.4
Average Future service(years)	22
Average Age	38
Weighted Average Duration (based on discounted cash flows) in years	22
Average Monthly Salary	19810
Discount Rate	7.00% Per annum
Salary Growth Rate	5.00% Per annum
Mortality	IALM2006-08 Ultimate
Expected Rate of Return	0
Withdrawal Rate(Per annum)	5.00% p.a.(18 to 30 Years)
Withdrawal Rate(Per annum)	3.00% p.a.(30to 44 Years)
Withdrawal Rate(Per annum)	2.00% p.a. (44 to 60 Years)
<b>Benefits Valued</b>	<b>31/03/2018</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>31/03/2018</b>
Current Liability(Short Term)*	960
Non-Current Liability(Long Term)	329749
Total Liability	330709



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (32) Provision for taxation if any for the current year has been made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961 and as per section 115 JB of the Income Tax Act, 1961. In the opinion of Management there has been significant improvement in the business and economic conditions post demonetization and there is expectation of lowering of interest rate too, which will result in sufficient future taxable Profits. Hence, deferred tax has been recognized.
- (33) The Company has no amounts payable to Micro and Small Enterprises as defined in section 7(1) of the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.
- (34) The Company has only one segment i.e., manufacturing of ERW steel tubes, therefore segment reporting as required under Ind-AS 108 is considered as not applicable.

**(35) Related Party Transactions:**

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

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

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

B) Transactions with related parties :-

<b>Particulars</b>	<b>KMP</b>	<b>Relative of KMP</b>	<b>Enterprises over which Key Managerial Personnel and relatives of such Personnel exercises significant influences</b>
<b>Compensation paid to KMP:</b>			
<b>Salary Paid</b>			
1. Harish Chand Jain	720000/- Pa (720000/- Pa)	- -	- -
2. Predeep Jain	(480000/- Pa) (480000/- Pa)	- -	- -
<b>Compensation paid to Relative to KMP:</b>			
<b>Salary Paid :</b>			
3. Saurabh Jain	- -	480000/- Pa (480000/- Pa)	- -
<b>Sitting fees</b>			
1. Harish Chand Jain	6000/- (3750/-)	- -	- -
2. Rajshree Patni	- -	6000/- (3750/-)	- -
<b>Loans and Advances made/ repayment</b>			
1. Tridev finance Co.Ltd.	- -	- -	NIL (15391431/-)
<b>Amount outstanding pertaining to related parties at the Balance Sheet Date :</b>			
<b>Investment in Equity Share</b>			
1. Tridev finance Co.Ltd.	- -	- -	Rs. 545000/- (Rs. 545000/-)
<b>Interest Paid to</b>			
Tridev finance Co.Ltd.	-	-	NIL (21431)

Figures shown in bracket ( ) indicates previous year figures.

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

(37) Tax deducted at source on interest income included in other income is 24885/- (previous year Rs. 86320/-)

### (38) Earning Per Share

S.No.	Particulars	As on 31.03.2018	As on 31.03.2017
A.	Profit/(Loss) after tax :- Numerator	3795463	(12696552)
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)	0.84	(2.81)

### (39) Additional information :

#### A) Composition of Raw Materials Consumption:

Raw Material consumption	2017-2018		2016-2017	
	Value	Percentage	Value	Percentage
Imported	NIL	NIL	NIL	NIL
Indigenous	641609848	100	739182774	100

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

Particulars	2017-2018	2016-2017
Raw Materials	NIL	NIL

#### C) Earning in Foreign Currency:

Particulars	2017-2018	2016-2017
F.O.B. Value of Export	NIL	NIL

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

Particulars	2017-2018	2016-2017
Expenditure in Foreign Currency (on payment basis):	NIL	NIL

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**(40) First Time Adoption Ind AS Reconciliation:**

**(A) Reconciliation of Balance sheet of 2016-17**

S.No.	Particulars	IGAAP	Ind As Impact	Ind As
<b>I.</b>	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-Current Assets</b>			
(a)	Property, Plant and Equipment	18979103	-	18979103
(b)	Financial assets			
	(i) Investments	907000	-	907000
	(ii) Loans	15196123	-	15196123
(c)	Deferred tax Assets(net)	14773929	-	14773929
(d)	Other non - current assets	217562	-	217562
<b>(2)</b>	<b>Current Assets</b>			
(a)	Inventories	190445776	-	190445776
(b)	Financial assets			
	(i) Trade receivables	108871353	-	108871353
	(ii) Cash and cash equivalents	12842013	(11650000)	1192013
	(iii) Bank Balances other than (ii) above	0	11650000	11650000
	(iv) Loans	29145359	(29145359)	0
	(v) Other Financial Assets	0	29145359	29145359
(c)	Other Current Assets	1156183	-	1156183
	<b>Total Assets</b>	392534401		392534401
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>EQUITY</b>			
(a)	Equity Share Capital	44998500	-	44998500
(b)	Other Equity	36721623	-	36721623
<b>(2)</b>	<b>LIABILITIES</b>			
	<b>Non - current liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	0		0
(b)	Provisions	0		0

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

S.No.	Particulars	IGAAP	Ind As Impact	Ind As
	<b>Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	174531767	-	174531767
	(ii) Trade payables	123632100	-	123632100
	(iii) Other financial liabilities	0		0
(b)	Provisions	10339703	-	10339703
(c)	Other current liabilities	2310708	-	2310708
	<b>TOTAL Equity and Liabilities</b>	<b>392534401</b>		<b>392534401</b>

**(B) Reconciliation of Balance sheet of 2015-16**

S.No.	Particulars	IGAAP	Ind As Impact	Ind As
I.	<b>ASSETS</b>			
(1)	<b>Non-Current Assets</b>			
(a)	Property, Plant and Equipment	20197376	-	20197376
(b)	Financial assets			
	(i) Investments	907000	-	907000
	(ii) Loans	14922838	-	14922838
(c)	Deferred tax Assets(net)	9096312	-	9096312
(d)	Other non - current assets	217562	-	217562
(2)	<b>Current Assets</b>			
(a)	Inventories	225251730	-	225251730
(b)	Financial assets			
	(i) Trade receivables	101497427	-	101497427
	(ii) Cash and cash equivalents	14567790	(12249000)	2318790
	(iii) Bank Balances other than (ii) above	0	12249000	12249000
	(iv) Loans	69382579	(69232579)	0
	(v) Other Financial Assets	0	69232579	69382579
(c)	Other Current Assets	1511843	-	1511843
	<b>Total Assets</b>	<b>457552457</b>		<b>457552457</b>

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

S.No.	Particulars	IGAAP	Ind As Impact	Ind As
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>(1)</b>	<b>EQUITY</b>			
(a)	Equity Share Capital	44998500	-	44998500
(b)	Other Equity	49418175	-	49418175
<b>(2)</b>	<b>LIABILITIES</b>			
	Non - current liabilities			
(a)	Financial liabilities			
	(i) Borrowings	226592	-	226592
(b)	Provisions	0		0
	<b>Current Liabilities</b>			
(a)	Financial liabilities			
	(i) Borrowings	205267285	-	205267285
	(ii) Trade payables	143594819	-	143594819
	(iii) Other financial liabilities	0	198496	198496
(b)	Provisions	10326394	-	10326394
(c)	Other current liabilities	3720692	(198496)	3522196
	<b>TOTAL Equity and Liabilities</b>	457552457		457552457

**(C) Reconciliation of Profit and Loss for the year 2016-17**

S.No.	Particulars	IGAAP	Ind As Impact	Ind As
<b>I.</b>	<b>INCOME</b>			
	Revenue from operations	738477337	-	738477337
	Other Income	936627	-	936627
	Total Revenue	739413964	-	739413964
<b>II.</b>	<b>Expenses:</b>			
	Cost of materials consumed (purchase)	739182774	-	739182774
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(28960637)	-	(28960637)
	Employee benefit Expense	7186426	-	7186426
	Finance Costs	23937400	-	23937400

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

S.No.	Particulars	IGAAP	Ind As Impact	Ind As
	Depreciation and amortisation expense	1276823	-	1276823
	Other Expenses	15165347	-	15165347
	<b>Total Expenses</b>	757788133	-	757788133
<b>III.</b>	Profit before exceptional items and tax (III- IV)	(18374169)	-	(18374169)
<b>IV.</b>	Exceptional Items	0		
<b>V.</b>	Profit/(loss) before tax	(18374169)	-	(18374169)
<b>VI.</b>	<b>Tax Expense:</b>			
	(a) Current Tax	0		
	(c) Deferred Tax	(5677617)	-	(5677617)
<b>VII.</b>	Profit (Loss) for the period from continuing operations	(12696552)	-	(12696552)
<b>VIII.</b>	Other Comprehensive Income	0		
<b>IX.</b>	Total Comprehensive Income for the year	(12696552)	-	(12696552)
<b>X.</b>	Earnings per equity share of 10 each (for continuing operation):			
	(1) Basic	(2.81)	-	(2.81)
	(2) Diluted	(2.81)	-	(2.81)

**(D) Equity Reconciliation as at 31 March, 2017 and as at 1 April, 2016:**

Particulars	31st March, 2017	1st April, 2016
<b>Equity as per IGAAP</b>	44,998,500.00	44,998,500.00
<b>Adjustment:</b>		
Add: Reclassification as per IND AS	-	-
Less: Reclassification as per IND AS	-	-
<b>Equity as per Ind AS</b>	44,998,500.00	44,998,500.00

## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (41) 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, 2018 is as follows:

### Provision for Excise Duty and Audit Fees

Particulars	2017-18	2016-17
Opening Balance	10339703	8926394
Additions	63000	10339703
Payments	45000	61000
Reversals	10294703	8865394
Closing Balance	63000	10339703

### Provision for Gratuity

Particulars	2017-18	2016-17
<b>Current</b>		
Opening Balance	0	0
Additions	960	0
Payments	0	0
Reversals	0	0
Closing Balance	960	0
<b>Non- Current</b>		
Opening Balance	0	0
Additions	329749	0
Payments	0	0
Reversals	0	0
Closing Balance	329749	0

### (42) Statement of Management

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



## RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

### (43) Financial risk management:

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

#### (A) Market Risk :-

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

#### (B) Liquidity Risk :-

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

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

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

## **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**

- (44) These financial statements were approved and adopted by board of directors of the Company in their meeting dated May 30, 2018.
- (45) Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.
- (46) Notes 1 to 45 are annexed to and form an integral part of financial statements.

As per our Report of even date Attached

FOR AND ON BEHALF OF THE BOARD

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

**(GIRIRAJ PRASAD)**  
PARTNER  
(Membership No. 73380)

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

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

**(PRADEEP JAIN)**  
CFO

JAIPUR,  
30<sup>th</sup> May, 2018

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

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

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

I hereby record my presence at the 32nd ANNUAL GENERAL MEETING on Saturday 29th September, 2018 at 10.00 A.M. at 28-37, Banke Bihari Industrial Area, Jatawali Mod, Maharkala Road, Dehra, Chomu, JAIPUR-303806

(IN BLOCK LETTERS)

NAME OF THE SHARE HOLDER/PROXY .....

SIGNATURE OF THE SHAREHOLDER/PROXY .....

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

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

----- (TEAR HERE) -----

FORM OF PROXY

# RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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

Ledger Folio No.: .....

DP Id No. ....

Client Id.No. ....

I/We ..... of .....

being a Member/ Members of **Rajasthan Tube Manufacturing Company Limited** here appoint of

..... (or failing him ..... of ..... or failing

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

and on my/our behalf at the 32nd Annual General Meeting of the Company to be held on Saturday, the 29th September, 2018 at 10.00 A.M. and at any adjournment thereof.

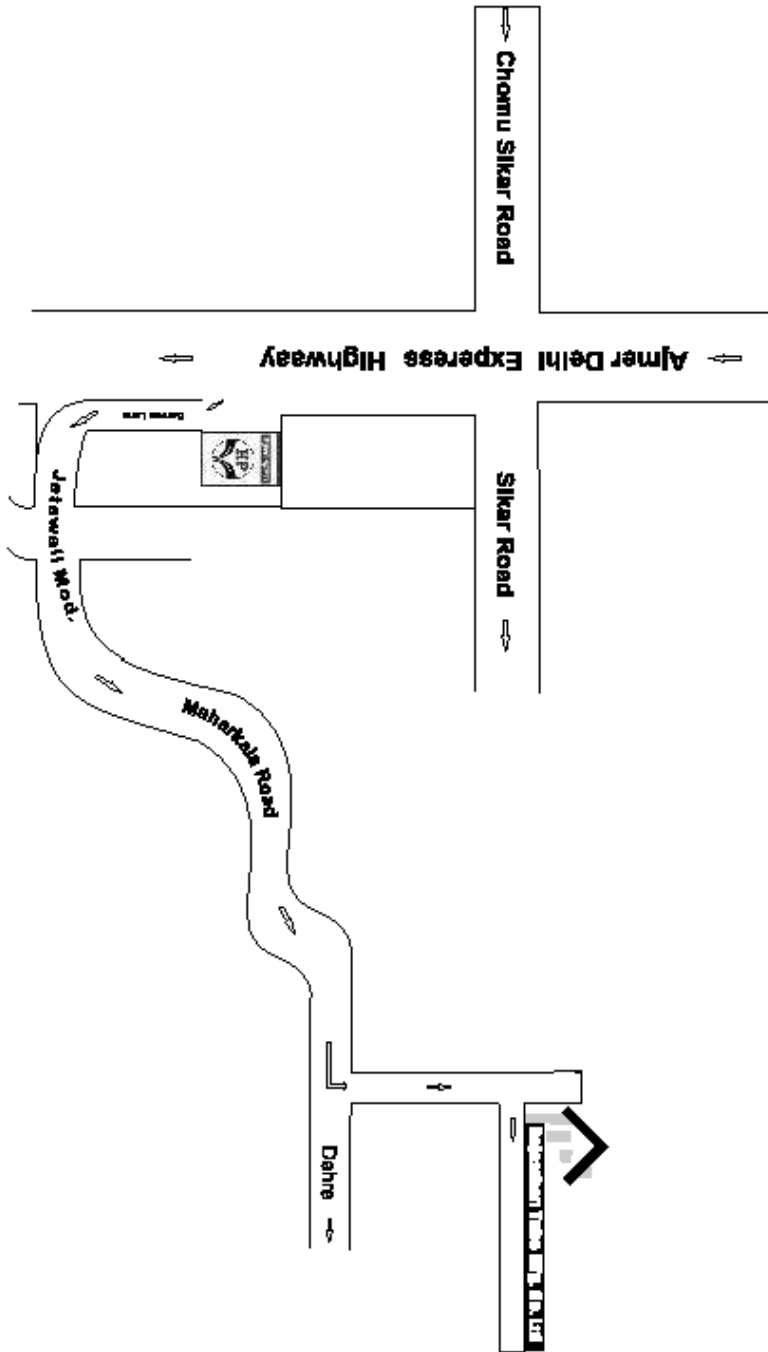
Signed this ..... day of ..... 2018.

Signed by the said .....

One Rupee  
Revenue  
Stamp

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

**RAJASTHANTUBE MANUFACTURING COMPANY LIMITED**



## **BOOK POST**

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