

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
REGISTERED OFFICE: 404, SHEKHAWATI COMPLEX, STATION ROAD, JAIPUR

Dear Shareholders,

Sub: Green Initiative in Corporate Governance Rajasthan Tube Manufacturing Company Limited (“RTMCL”)

This is to inform you that the Ministry of Corporate Affairs (“MCA”), Government of India has taken a “Green Initiative” In the Corporate Governance by permitting paperless compliances by companies (vide its Circular No. 17/2011 dated : April 21, 2011 and Circular No.18/2011 dated April 29, 2011) and clarified that a company will be deemed to have complied with the provisions of Sections 53 and 219(1) of the Companies Act, 1956, in case documents like notice, annual report etc. are sent in electronic form to its Members, subject to compliance with the conditions stated therein.

Accordingly, RTMCL proposes to send henceforth all communications / documents including the Notice calling the Annual General Meeting, Annual Reports etc. in electronic mode to those Members who have registered their email address(es) with heir Depository Participant (DP”) and made available to us by the Depository.

Please note that the said documents will be uploaded on the website of the Company viz. www.rajtube.com for your ready reference.

We, therefore, invite all our shareholders to contribute to the cause by registering their email address with the DP or inform their e.mail address at beetal@beetalfinancial.com duly quoting your DP ID & Client ID/ Folio Number(s).

Please note that as a Member of the Company, you are always entitled to request and receive, free of cost, a copy of the Annual Report of the Company and other documents in accordance with the provisions of the Companies Act, 1956.

We look forward to your continued and encouraging support to this unique initiative by the MCA. Thanking you and assuring you of our best attention at all times,

Yours faithfully,

For Rajasthan Tube Manufacturing Company Limited

(Sunil Kumar Jain)
Director

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

BOARD OF DIRECTORS:

SHRI HARISH CHAND JAIN (CHAIRMAN & MANAGING DIRECTOR)

SHRI SUNIL KUMAR JAIN

SHRI DEEPESH JAIN

SHRI MAHENDRA KUMAR JAIN

AUDITORS:

PRAMOD & ASSOCIATES
CHARTERED ACCOUNTANTS
JAIPUR.

CORPORATE ADVISOR

V M & ASSOCIATES
COMPANY SECRETARIES
JAIPUR

BANKERS:

STATE BANK OF BIKANER & JAIPUR

SHARE TRANSFER AGENT

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

REGISTERED OFFICE:

404, SHEKHAWATI COMPLEX,
STATION ROAD, JAIPUR

WORKS:

28-37, JATAWALI MOD, MAHARKALA ROAD, DEHRA,
Teh.: CHOMU, Distt. JAIPUR (Raj.) 303702

E-MAIL ID FOR INVESTORS

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTICE

Notice is hereby given that the 26th Annual General Meeting of RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED will be held at ANOKHA GAON, Near Road No.14, Vishwakarma Industrial Area, Sikar Road, Jaipur on Friday the 28th September, 2012 at 10 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Statement of Profit & Loss for the year ended on 31st March, 2012, Balance Sheet as on that date, the Directors' Report and Auditors' Report thereon.
2. To appoint Directors in place of Shri Deepesh Jain, who retires by rotation and being eligible, offer himself for reappointment.
3. To appoint Auditors of the company and to fix their remuneration from the conclusion of this meeting until the conclusion of the next Annual General Meeting, M/s Pramod & Associates, Chartered Accountants, Jaipur, the retiring auditors of the company are eligible for reappointment.

SPECIAL BUSINESS

4. To consider and if thought fit to pass with or without modification the following resolution as a Special resolution:

"RESOLVED THAT in accordance with the provision of section 314 and all other applicable provisions; if any, of the companies Act 1956, consent of the company be and is hereby accorded to hold and continue to hold the place of profit by Shri Pradeep Jain w.e.f. 01st August, 2012 on a revised total monthly remuneration of Rs.40000/-

5. To consider and if thought fit to pass with or without modification the following resolution as a Special resolution:

"RESOLVED THAT in accordance with the provision of section 314 and all other applicable provisions; if any, of the companies Act 1956, consent of the company be and is hereby accorded to hold and continue to hold the place of profit by Shri Sourabh Jain w.e.f. 01st August, 2012 on a revised total monthly remuneration of Rs.40000/-

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

Dated : 13th August, 2012

By order of the Board

(SUNIL KUMAR JAIN)
DIRECTOR

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The proxy form duly completed and stamped must reach the Registered Office of the company at 404, Shekhawati Complex, Station Road, Jaipur not less than 48 hours before the time of holding the aforesaid meeting.
 2. Shareholders are requested to advise the company immediately of any change in their addresses.
 3. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2012 to 28th September, 2012 (both dates inclusive).
 4. Members are requested to quote their folio numbers in all their correspondence.
 5. Members are requested to bring their copies of Annual Report to the meeting.
 6. The shareholders desiring any information as regards accounts are requested to write to the Company at an early date so as to enable the Management to keep information ready.
 7. Members are requested to bring with them the attendance slip and hand it over at entrance duly signed by them.
 8. Information provided as per clause 49VI(A) of the listing Agreement
The following are the details of the Directors seeking Reappointments or recommended to be appointed as Director. Shri Deepesh Jain has been director of the company since January, 2003. He is member of company's Directors audit, Remuneration and shareholders, grievance committee. He has Vast experience of 10 years in the field of Finance & Liasion With Govt. Department.
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EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT 1956

The following Explanatory statements pursuant to section 173 of the Companies Act, 1956 set out all material facts relating to the special business mentioned in the accompanied notice dated 13th August, 2012.

Item Nos. 4 :

Shri Pradeep Jain is an existing employee of the company and he is relative of directors of the company in accordance with schedule 1A of the Companies Act, 1956. According to the section 314 of the companies Act, 1956 read with director's relatives (office of place of profit) Rules, 2003 inter alia provides that no relative of Director shall hold any office or place of profit in the company which carries a total monthly remuneration of not less than Rs. 10000/- except with the prior consent of the company by a special resolution. Shri Pradeep Jain is an employee of the company on a monthly remuneration of Rs. 15000/- and increment as been given to Shri Pradeep Jain w.e.f. 1st August, 2012 by increasing total monthly remuneration of Rs.40000/- per month according to the above said provision it require approval from member of the company. Hence the resolution is put up for your consideration. None of the director except Shri Harish Chand Jain, are interested in this resolution.

Item No. : 5

Shri Sourabh Jain is an existing employee of the company and he is relative of directors of the company in accordance with schedule 1 A of the Companies Act, 1956 read with director's relatives (office of place of profit) Rules, 2003 inter alia, provides that no relative of Director shall hold any office or place of profit in the company which carries a total monthly remuneration of not less than Rs.10000/- except with the prior consent of the company by a special resolution. Shri Sourabh Jain is an employee of the Company on a monthly remuneration of Rs.15000/-and increment has been given to Shri Sourabh Jain w.e.f.1st August,2012 by increasing total monthly remuneration to Rs.40000/- per month according to the above said provision it require approval from member of the company. Hence the resolution is put up for your consideration. None of the director except Shri Harish Jain are interested in this resolution.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 26th Annual Report on the operations of your company together with audited statement of accounts for the year ended on 31st March, 2012.

1. FINANCIAL RESULTS:

	(Rs.in lacs)	
	For the year ended on 31.3.2012	For the year ended on 31.3.2011
Total Sales & Other Income	9557.54	7585.37
Profit Before Interest & Depreciation	299.92	218.55
Interest	176.42	141.81
Profit Before Depreciation	123.50	76.74
Profit on sale of Fixed Assets	-	93.92
Depreciation	28.27	28.39
Net Profit before Taxation	95.23	142.27
Provision for Taxation	25.00	18.00
Deferred Tax (Net)	(2.26)	12.20
Net Profit after Taxation	72.49	112.07
Balance brought forward from previous year	385.07	323.00
profit available for appropriation	457.56	435.07
Transfer to General Reserve	50.00	50.00
Balance carried to Balance Sheet	407.56	385.07

2. DIVIDEND:

Your Directors are unable to recommend any dividend during the year under review in order to keep funds for future plans.

3. GENERAL RESERVE :

The Company propose to transfer Rs.50,00,000 to the General Reserve out of the amount available for appropriations.

4. YEAR IN RETROSPECT:

During the year under review, the sales and other income during the year increased to Rs.9557.54 Lacs as compared to Rs.7585.37 Lakh in the previous year. The Profit after tax during the year was Rs.72.49 lacs as compared to Rs.112.07 lacs in the previous year.

5. MANAGMENT DISCUSSION & ANYLYSIS REPORT:

(a) INDUSTRY STRUCTURE & DEVELOPMENT :

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

(b) OPPORTUNITIES, THREATS RISK & CONCERNS:

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

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

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

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

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

(c) SEGMENT :

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

(d) OUTLOOK :

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

(e) INTERNAL CONTROL SYSTEM :

Your company maintain an internal control system in different areas like purchases billing for the jobs etc. moreover there are internal auditors who make a consent 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.

6. FUTURE PROSPECTS:

Your Directors hope that during this year turnover and profit shall increase substantially due to better prospects of steel industry because of increasing steel price all over the world.

7. EXPANSION/DIVERSIFICATION

The company has also planned to diversify in rigid PVC PIPE project.

8. DISCLOSURE UNDER THE LISTING AGREEMENTS:

LISTING OF SHARES

Presently the equity shares of the company are listed at the following recognised Stock Exchanges.

- (i) The Jaipur Stock Exchange Limited ,Jaipur
- (ii) The Stock Exchange Mumbai,Mumbai.
- (iii)The Delhi Stock Exchange Association Limited,New Delhi.

The application of the company dated:10.06.1999 for delisting of shares from the The Delhi Stock Exchange Association Limited, New Delhi is still pending with the concerned Exchange.

The company has paid the annual listing fees for the year 2011-2012 to the stock exchanges except to stock exchange where the company has applied for delisting of shares of the company.

9. FIXED DEPOSITS:

The Company has not accepted any fixed deposit during the year under report.

10. DIRECTOR' RESPONSIBILITY STATEMENT:

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956 your Directors confirm that :

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii)They 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, 2012 and of the Profit of the Company for the year ended on that date;
- (iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) They have prepared the annual accounts on a going concern basis.

11. PARTICULARS OF EMPLOYEES :

Particulars of employees as required under section 217 (2A) of the Companies Act, 1956 read with companies particulars of employees rules, 1975 as amended and information as per Companies disclosure of particulars in the report of Board of Directors Rules, 1988 is Nil

12. PARTICULARS OF ENERGY CONSUMPTION ETC:

The information pursuant to sub-section 1(e) of the section 217 of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is either nil or not applicable.

13. DIRECTORS :

Shri Deepesh Jain, Director of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment.

14. AUDITORS :

M/s Pramod & Associates, Chartered Accountants, Jaipur retire and being eligible, offer themselves for reappointment. The observations of the Auditors have been suitably dealt with in the notes on accounts.

15. CORPORATE GOVERNANCE :

Corporate Governance Report is set out as a separate Annexure-1 which forms part of this report.

16. SECRETARIAL COMPLIANCE CERTIFICATE :

As per the requirement of Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a Certificate from M/s V.M. & Associates, Company Secretaries in Whole-time Practice, Confirming that the Company has complied with the provisions of the Companies Act, 1956 and a copy of the Compliance Certificate is annexed to this Report.

17. CORPORATE GOVERNANCE CERTIFICATE :

As per Revised Clause 49 of the listing Agreement with the Stock Exchanges, the Compliance Certificate from Chairman and Managing Director and CFO is given as Annexure " III " to the Director Report.

18. CODE OF CONDUCT :

The Company has laid-down a code of conduct for all Board Members And senior management of the Company. All the Board members and senior management personal have affirmed compliance with the code of conduct. The code of conduct has posted on website of the Company i.e. [www. Rajtube.com](http://www.Rajtube.com)

19. ACKNOWLEDGEMENTS :

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

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

Industrial relations continued to remain happy and cordial.

Registered office :
404, Shekhawati Complex,
Station Road, JAIPUR
Dated : 13th August, 2012

For and on Behalf of the Board

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

REPORT ON CORPORATE GOVERNANCE

(As per clause 49 of the listing agreement Stock Exchanges)

1. COMPANY'S PHILOSOPHY : .

Your company believes in conducting its affairs with the highest levels of integrity, with proper authorisations, accountability and transparency. The business operations of your company are conducted not to benefit any particular interest but for the benefit of all shareholders.

2. BOARD OF DIRECTORS :

The Company has Executive Chairman and the number of independent Directors exceed 1/2 of the total number of Directors. The number of Non-Executive Directors exceeds 50% of the total number of Directors. 8 (Eight) Board Meetings were held during 2011-2012 and the gap between two meetings did not exceed four months. The date on which the Board Meeting were held were 04-04-2011, 15-04-2011, 30-04-2011, 30-07-2011, 08-08-2011, 25-10-2011, 28-01-2012, & 31-03-2012.

The name and categories of the directors on the board, their attendance at board meetings during the year and at the last Annual General Meeting and also the number of Directorships held by them in other companies are given below :

Name	Category	No. of Board Meetings attended 2011-12	Whether Attended AGM Held on Dt:24.09.2011	No. of Directorship in other Companies as Chairman Director
Mr. Harish Chand Jain (Chairman)	Non Independent/ Executive Chairman	8	Yes	- 1
Mr. Sunil Kumar Jain	Independent/ Non Executive/	8	Yes	- 1
Mr. Deepesh Jain	Independent/ Non Executive	8	Yes	- -
Mr. Mahendra kumar Jain	Independent/ Non Executive	8	Yes	- -

3. AUDIT COMMITTEE

The Company constituted an Audit Committee consisting of Non-executive Directors during 2002-2003, five Meeting's were held during the year from 1.04.2011 to 31.03.2012. The said meeting's were held on 30-04-2011, 30-07-2011, 08-8-2011, 25-10-2011, 28-01-2012. The constitution of committee and attendance of each member of the committee as on March 31, 2012 are given below :-

SL. No.	Names Of Members	Category	No. of Meetings attend during the year 2011-2012 Held	Attending
1.	Mr. Sunil Kumar Jain (Chairman)	Independent/Non executive	5	5
2.	Mr. Deepesh Jain (Having expert financial and accounting knowledge)	Independent/Non executive	5	5
3.	Mr. Mehendra Kumar Jain	Independent/Non executive	5	5

The Audit committee has been vested with the following powers :

1. To investigate any activities within its terms of reference
2. To seek information from any employee
3. To obtain outside legal or other professional advice
4. To secure attendance of outsiders with relevant expertise if it considers necessary

TERMS OF REFERENCE :

1. Overseeing the company's financial reporting process and disclosure of its financial information ensure that financial statement is correct sufficient and credible
2. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment of any other services
3. Reviewing with management the annual financial statements before submission to the board focussing primarily on :
 - * Any changes in accounting policies and practices
 - * Major accounting entries based on exercise of judgement by management
 - * Qualification in draft audit report
 - * Significant adjustments arising out of audit
 - * The going concern assumption
 - * Compliance with accounting standards
 - * Compliance with Stock Exchanges and legal requirements concerning financial statements
 - * Any related party transactions i.e. transaction of the company of material nature with promoters or the management . their subsidiaries or relative etc. that may have potential conflict with the interest of company at large
4. Reviewing with the management. external and internal auditors the adequacy of internal control systems
5. Reviewing the adequacy of internal audit function . including the structure of the internal audit department staffing of the official headings the department . reporting structure coverage and frequency of internal audit
6. Discussion with internal auditors any significant findings and follow up thereon
7. Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
8. Discussion with external auditors before the audit commences . nature and scope of audit as well as have post audit discussion to ascertain any area of concern
9. Reviewing the company's financial and risk management policies
10. To look into the reasons for substantial defaults in the payment to the depositors. debentures holders , shareholders (in case of non payments of declared dividends) and creditors

4. REMUNERATION COMMITTEE

The Remuneration Committee determines and recommends to the Board of Directors, Remuneration payable to the Managing Director . The Board of Directors approves the remuneration to the Directors on the basis of their performance as well as Company's performance, subject to consents as may be required.

The Non-Executive Director are not paid any remuneration except for the sitting fees for attending the Board Meeting / Committee Meetings.

The resolutions for the appointment and remuneration payable including commission to the Directors are approved by the shareholders of the Company.

The remuneration to the Directors consists of a fixed salary and other perquisites. The Leave Travel allowance, is paid as per the Company rules. Provident Fund and superannuation are provided for as per the Company's policy. Wherever applicable the perquisites are considered a part of remuneration and taxed as per Income laws. The commission recommended by the Remuneration Committee to the Board are paid in accordance with the provisions of the Companies Act, 1956.

The Remuneration Committee presently consist of Mr. Deepesh Jain Mr.Sunil Kumar Jain & Mr.Mahendra Kumar Jain .

5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE.

Presently, the committee comprised of three non executive directors chaired by Shri Mahendra Kumar Jain beside Shri Sunil Kumar Jain and Shri Deepesh Jain are member of the committee. Shri Punit Mittal General Manager M/s Beetal Financial & Computer Services (P) Ltd. (Share Transfer Agent) is the compliance officer of the company. The committee constituted to specifically look into the redressing of shareholders and investors complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend etc.

The committee meets every fortnight.

There is no investor complaint pending as on 30th June, 2012.

6. GENERAL BODY MEETINGS

The details of last three Annual General Meetings are as under:

AGM No.	Date	Time	Vanue
23rd AGM	26th Sept., 2009	10.00 AM	ANOKHA GAON, Near Road No.14 V.K.I.A., Sikar Road, Jaipur
24th AGM	25th Sept., 2010	10.00 AM	ANOKHA GAON, Near Road No.14, V.K.I.A., Sikar Road, Jaipur
25th AGM	24th Sept., 2011	10.00 AM	ANOKHA GAON, Near Road No.14 V.K.I.A., Sikar Road, Jaipur

Ordinary/Special resolution were passed at the meeting by show of hands/ unanimously/through ballot. There were no special resolution passed by the company through postal ballot at any of the above meetings.

7. DISCLOSURES :

The Company has complied with the provisions of law and no penalties or strictures have been imposed by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last 3 years. the Directors did not incur any disqualification under section 274 (1)(g) or under any other law applicable to the company. Disclosures on material significant related party transaction are as under:

The following transactions were carried out with related parties in the financial year 2011-2012.

1. Hiring charges: Rs.72000/-paid to M/s Tridev Finance Co. Ltd.
2. Managerial Remuneration: Rs. 720000/-was paid to Shri Harish Chand Jain
3. Board Meeting Fees: Rs.16800/- paid to key Managment Personel.
4. Salary Rs.180000/- Paid to Shri Pradeep Jain .
5. Salary Rs.180000/- Paid to Shri Sourabh Jain .
6. Loans & Advance Granted and received back Rs.11676000/-
7. Loans & Advance taken and paid back Rs.2800000/-

8. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and take on record un-audited financial results with in one month of the close every quarter and announces forthwith the results to all the Stock Exchanges in the format prescribed by SEBI, where the shares of the Company are listed. Shareholders are intimated through print media of quarterly financial results and performance besides significant matters, with in time period stipulated from time to time by stock exchanges.The quarterly Un-audited financial results are published in leading national newspaper i.e. The Financial Expresss (English) and nafa nuksan (Hindi) All information relating to investors can also be seen at our website www.rajtube.com

9. GENERAL SHAREHOLDERS INFORMATION

Sl. No.	Slient Items of interest	Particulars
1.	AGM Date, Time and venue	28th Sept., 2012 (10:00 AM) Anokh Gaon, V.K.I.A, Sikar Road, Jaipur
2.	Financial calendar	Year ending March 31,2012
3.	Date of book closure	26th Sept. to 28th Sept. 2012 (both days inclusive)
4.	Dividend payment date	No dividend was declared
5.	Listing on Stock Exchanges	1. THE STOCK EXCHANGE, MUMBAI Phiroze Jee Jeebhoy Towers, Dalal street, Mumbai-400001 Tel. : +91-22-22721233/34 Fax : +91-22-22723677 2. THE DELHI STOCK EXCHANGE LTD. DSE House, 3/1 Asaf Ali Road,New Delhi-110002, Tel. : +91-11-46470000/33/34

Fax : +91-11-46470053/54

3. JAIPUR STOCK EXCHANGE LTD.
Stock Exchange Building,
J.L.N Marg, Malviya Nagar,
Jaipur -302017
Tel. : +91-141-2729041/94
Fax : +91-141-2729082
6. Stock Code and ISIN Number 530253 (BSE), 8343 (Delhi) & 567 (Jaipur) and ISIN No. INE497E01012
7. Registrar & Share Transfer agents BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.,
BEETAL HOUSE 3rd FLOOR,
99, MADANGIR BEHIND LOCAL,
SHOPPING CENTRE NEAR DADA,
HARSUKH DAS MANDIR,
NEW DELHI - 110062 .
8. Share Transfer System Share lodged in physical form with the Company /its Registrar & Share transfer Agents are processed and returned, duly transferred within 30 days normally, except in cases where litigation is involved.
In respect of share held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee and depository participant through electronic debit/credit of the accounts involved.
9. Dematerialisation of shares and liquidity As at 31st March, 2012, 3593976 shares were held in dematerialized mode.
10. Outstanding GDRs/ADRs/warrents or any convertible instruments, conversion date and likely impact on equity There are no outstanding instruments and hence there will be no dilution of the equity.
11. Plant locations Your company's product plant was located at the following address:
28-37, Jatawali Mod, Maharkala, Dehra,
Tehsil: Chomu, Distt. Jaipur
12. Address for correspondence Reg. Off. 404, Shekhawati Complex, Station Road, Jaipur-302006, Rajasthan.
13. Market Price Data: High/Low during 2011-2012 on the following exchanges:
The Shares of the Company are frequently traded in Mumbai Stock Exchanges and there has been no trading in Delhi and Jaipur Stock Exchanges during the year 2011-2012.
- High :- Rs. 23.50/-
Low :- Rs. 10.25/-

14. Distribution of shareholding as on March 31, 2012

Range of shares	No. of shareholders	% of shareholders	No. of Shares Hold	% of shareholding
1 - 500	2032	77.82	448448	9.95
501 -1000	304	11.64	260027	5.77
1001-2000	158	6.05	253249	5.62
2001-3000	32	1.23	85083	1.89
3001-4000	15	0.57	52450	1.16
4001-5000	11	0.42	51476	1.14
5001-10000	22	0.84	158558	3.52
Over 10000	37	1.43	3198509	70.95
Total	2611	100.00	4507800	100.00

15. Categories of Shareholding as on March 31, 2012

Category	No. of share held	% of shareholding
Individuals	3787425	84.02
NRI's	45252	1.00
Companies	675123	14.98
Total	4507800	100.00

AUDITORS CERTIFICATE

To
The Members of 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, 2012, as stipulated in Clause 49 of 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 procedures and implimentation therof, 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 above mentioned Clause 49 of the listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the investor grievances committee.

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 managment has conducted the affairs of the company.

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

Jaipur
Dated : 13th August, 2012

(NIKHIL KUMAR AGARWAL)
Partner
(Membership No.414647)

SECRETARIAL AUDIT

COMPLIANCE CERTIFICATE

CIN: L27107R31985PLC003370
Nominal Capital Rs. 8,00,00,000/-

To,
The Members
RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED,
404, SHEKHAWATI COMPLEX,
STATION ROAD, JAIPUR-302006.

We have examined the registers, records, books, documents and papers of **RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED**, (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2012**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. the Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. the Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate with the Registrar of Companies through the Ministry of Corporate Affairs, in time, prescribed under the Act and the rules made thereunder. However, no forms and returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.
3. the Board of Directors duly met 8 (Eight) times on 04.04.2011, 15.04.2011, 30.04.2011, 30.07.2011, 08.08.2011, 25.10.2011, 28.01.2012 and 31.03.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose. However, no circular resolution was passed.
4. the Company closed its Register of Members from **22.09.2011 to 24.09.2011** (both days inclusive) and necessary compliance of Section 154 of the Act has been made in this regard.
5. the Annual General Meeting for the financial year ended on **31 March, 2011** was held on **24.09.2011** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
6. the Company has made necessary entries in the register maintained under section 301 of the Act.
7. the Company has:
 - i. delivered all the certificates on lodgement thereof for transfer in accordance with the provisions of the Act.
 - ii. duly complied with the requirements of section **217** of the Act.
8. the Board of Directors of the Company is duly constituted and appointment of director liable to retire by rotation has been duly made at the Annual General Meeting held on 24.09.2011. Further Mr. Mahendra Kumar Jain was appointed as Additional Director of the Company w.e.f. 29.01.2011. However, there was no appointment of alternate directors and directors to fill casual vacancy during the financial year.
9. the directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.

10. *the Company has complied with the provisions of Section 58A and S8AA read with Rule 2 (b)(vi) of the Companies (Acceptance of Deposits) Rules, 1975, to the extent of unsecured loans taken from body corporates, being exempted.*

11. The amount borrowed by the Company from Banks and others during the Financial Year ending 31st March, 2012 is within the borrowing limits of the Company.

12. The Company has made loans and investments or provided guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.

13. The Company has deposited both employee's and employer's contribution to provident fund with the prescribed authorities pursuant to section 418 of the Act.

14. other paras of the Companies (Compliance Certificate) Rules, 2001 are either **NIL** or **NOT APPLICABLE** for the current year.

**FOR V. M. & ASSOCIATES
COMPANY SECRETARIES**

**PLACE: JAIPUR
DATE: 13.08.2012**

**MANOJ MAHESHWARI
PARTNER
Certificate of Practice No: 1971**

Annexure A

Registers as maintained by the Company:

1. Register of Charges U/S 143
2. Register of Members U/s 150
3. Minutes Book of Board and General Meeting U/s 193
4. Register of Contracts u/s 301
5. Register of Directors, Managing Directors, Secretary u/s 303
6. Register of Share Transfers
7. Register of Director's attendance
8. Register of Shareholder's attendance

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Rajasthan at Jaipur, through the Ministry of Corporate Affairs during the financial year ending on 31st March, 2011:

1. E-Form No. 8 dated 19.04.2011 with respect to modification of charge was filed in time on 10.05.2011.
2. E-Form No. 66 along with Compliance Certificate filed u/s 383A for the financial year ended on 31.03.2011 was filed in time on 14.11.2011.
3. E-Form No. 23AC and 23ACA alongwith Balance Sheet and Profit & Loss for the year ended on 31.03.2011, filed u/s 220 in time on 17.11.2011.
4. E-Form No. 20B alongwith Annual Return under Schedule V, for the Annual General Meeting held on 24.09.2011 was filed in time on 16.11.2011.
5. E-Form No. 32 dated 29.01.2011 for appointment of Mr. Mahendra Kumar Jam as Additional Director of the Company was filed in time on 16.11.2011.
6. E-Form-23 dated 30-06-2011 appointment M.Goyal & co. for cost auditors firm was filed in time on 03-12-2011

CERTIFICATION BY MANAGING DIRECTOR OF THE COMPANY

We hereby certify that for the financial year ending 31st March, 2012 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that :

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These Statements together present a true and fair view of the Company's affairs and are compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transaction entered into by the company during the 2011-2012 which are fraudulent , illegal or violative of the Company's Code of Conduct.
4. We accept the responsibility for establishing and maintaining internal control. We have evaluated the effectiveness of the Internal control systems of the Company and we have disclosed to the auditors and the Audit committee those deficiencies, of which we are aware, in the design or operation of the internal systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that:
 - a. There have been no significant changes in internal control during this year.
 - b. There have been no significant change in accounting policies during this year.
 - c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employees having a significant role in the Company's internal control system.

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

Dated : 13th August, 2012

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

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

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

As Managing Director of the Rajasthan Tube Manufacturing Company Limited and as required by clause 49 (1) (D) (ii) of the Listing Agreement of the Stock Exchange in India,

I hereby declare that all the Board Members and Senior Management personnel Of the the company have affirmed compliance with the code of conduct for financial year 2011-2012.

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

Dated : 13th August, 2012

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

AUDITORS ' REPORT

To
The Members of
RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

We have audited the attached Balance Sheet of RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED as at 31st March, 2012 and Statement of Profit & Loss for the year ended on that date annexed thereto and the Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.:-

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 we give in the annexure statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph 1 above.
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books.
 - (c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
 - (d) In our opinion the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards (AS) referred to in Section 211(3C) of the Companies Act, 1956
 - (e) On the basis of the written representations received from directors as on 31st March, 2012 and taken on record by the board of directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - (f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
 - (1) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2012.
 - (2) In the case of the Statement of Profit & Loss of the Profit of the company for the year ended on that date.
 - (3) In the case of cash flow statement of the cash flow for the year ended on that date

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

Jaipur
Dated : 13th August, 2012

(NIKHIL KUMAR AGARWAL)
Partner
(Membership No.414647)

ANNEXURE TO THE AUDITORS' REPORT

Statement referred to in paragraph of report of even date to the members of Rajasthan Tube Manufacturing Company Limited of the accounts for the year ended on 31st March, 2012.

1. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. According to the information and explanations given to us, most of the fixed assets have been physically verified by the Management during the year. In our opinion, the frequency of such physical verification is reasonable having regard to the sizes of the Company and the nature of its assets. No material discrepancies were noticed on such verification as compared to the available records.
2. Physical verification of Inventory has been conducted by the Management at reasonable intervals. The procedures for physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the company and nature of its business. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. (a) The Company has granted loans to companies under the same management, firms or other parties listed in the Register maintained under section 301 of the Companies Act 1956. Total number of parties are Four and amount involved was Rs.11676000/- And there is no outstanding at the year end.
 - b) No
 - c) Not applicable .
 - d) Not applicable .
 - e) The Company has taken loans secured or unsecured from companies firms or other parties covered in the register maintained under section 301 of the Act. Total number of parties are one and amount involved was Rs.2800000/- And there is no outstanding at the year end.
 - f) No
 - g) Not applicable .
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
5. In our opinion and according to the information and explanation given to us, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered. In respect of transactions with parties with whom transactions exceeding value of Rupees five lakh have been entered into during the financial year, are of prices which are reasonable having regard to the prevailing market prices of the relevant time.
6. The Company has not accepted any deposits from the public.

7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. 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 clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 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.
9. The company is regular in depositing undisputed Statutory Dues including Provident Fund, Investor education and protection fund, Employees' state insurance, income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it with the appropriate authorities, According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, Income tax, Wealth Tax, Service Tax, Custom tax, Excise Duty and Cess were outstanding of the year end for a period of more than six months from the date they became payable, According to the records of the company, there are no disputed amounts that have not been deposited with appropriate authorities on account of Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Sales Tax, Cess and Service Tax 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

10. The company has no accumulated losses at the end of the financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in payment of dues to financial institutions and banks. The company does not have any borrowings by way of debentures.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the company does not attract any special statute applicable to chit fund and nidhi/mutual fund/societies.
14. Based on our examination of records and the information and explanations given to us the company has not dealt/traded in shares, securities, debentures and other securities during the year.

15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The Company has not taken any term loans during the year covered by our audit and there is no term loan outstanding at the year end which was taken in earlier year.
17. Based on our examination at Cash Flow Statement of the Company, we are of the opinion that funds raised on short term basis have not been used for long term investments.
18. The company has not any preferential allotment of shares during the year.
19. The company did not have any outstanding debentures during the year.
20. The company has not raised any money through public issue during the year.
21. Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

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

Jaipur:
Dated : 13th August, 2012

(NIKHIL KUMAR AGARWAL)
Partner
(Membership No.414647)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

		Rupees in Rs.	
		As at 31.03.2012	As at 31.03.2011
	Note No.		
A. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	44998500	44998500
(b) Reserves and Surplus	4	65117587	57868168
		<u>110116087</u>	<u>102866668</u>
2. Non-Current Liabilities			
(a) Long term borrowings	5	1185000	1185000
(b) Deferred Tax Liabilities (Net)	6	2693529	2919976
		<u>3878529</u>	<u>4104976</u>
3. Current Liabilities			
(a) Short Term Borrowings	7	145856246	127153084
(b) Trade Payables	32	104420025	110877476
(c) Other Current Liabilities	8	4231911	5670431
(d) Short Term Provisions	9	6865812	6974473
		<u>261373994</u>	<u>250675464</u>
TOTAL		<u>375368610</u>	<u>357647108</u>
B. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
i. Tangible Assets	10 (a)	26431225	28655126
ii. Capital Work-in-progress	10 (b)	648144	-
(b) Non-Current Investments	11	907000	907000
(c) Long Term Loans and Advances	12	409036	912655
(d) Other Non-Current Assets	13	109163	71790
		<u>28504568</u>	<u>30546571</u>
2. Current Assets			
(a) Inventories	14	194293759	160963244
(b) Trade Receivables	15	123535177	134620262
(c) Cash and Bank Balance	16	11791983	10685540
(d) Short Term Loans and Advances	17	17200787	20807739
(e) Other Current Assets	18	42336	23752
		<u>346864042</u>	<u>327100537</u>
TOTAL		<u>375368610</u>	<u>357647108</u>

C. SIGNIFICENT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENT

1-42

As per our Report even date Annexed

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

JAIPUR,
13th August, 2012 (NIKHIL KUMAR AGARWAL)
PARTNER
(Membership No.414647)

FOR AND ON BEHALF OF THE BOARD

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

(SUNIL KUMAR JAIN)
DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2012

		Rupees in Rs.	
	Note No.	For The Year 31.03.2012	For The Year 31.03.2011
INCOME			
Revenue from Operation	19	954581514	757695233
Other Income	20	<u>1172085</u>	<u>841594</u>
TOTAL REVENUE		<u>955753599</u>	<u>758536827</u>
EXPENSES			
Cost of Material Consumed	21	915223133	687651535
Change in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	22	(12846917)	31440591
Employee Benefit Expenses	23	3692138	3468189
Finance Costs	24	17642061	14180546
Depreciation and amortization Expenses	10	2827072	2838753
Other Expenses	25	<u>19693140</u>	<u>14121871</u>
TOTAL EXPENSES		<u>946230627</u>	<u>753701485</u>
PROFIT BEFORE EXCEPTIONAL AND EXTRA ORDINARY ITEMS & TAX		9522972	4835342
Add : Profit From Sale of Fixed Assets		<u>-</u>	<u>9391840</u>
Profit Before Tax		9522972	14227182
Less : Tax Expense			
Current Tax		2500000	1800000
Deferred Tax		<u>(226447)</u>	<u>1220424</u>
PROFIT FOR THE YEAR		7249419	11206758
EARNINGS PER EQUITY SHARE			
BASIC AND DILUTED (in Rs.)		1.61	2.49
(Face value of Rs.10/- each)			

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENT

1-42

As per our Report even date Annexed

FOR AND ON BEHALF OF THE BOARD

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

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

(NIKHIL KUMAR AGARWAL)
PARTNER
(Membership No.414647)

(SUNIL KUMAR JAIN)
DIRECTOR

JAIPUR
13th August, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

	Year Ended 31-3-2012	(Rs."000) Year Ended 31-3-2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extra-ordinary Items	9523	14227
Adjustment for :		
Depreciation	2827	2839
(Profit)/Loss on Sale of Fixed Assets	-	(9392)
Investment Income (Interest on Deposits etc.)	(1172)	(842)
Interest Expenses	<u>17642</u>	<u>14181</u>
Operating Profit before working Capital Changes	28820	21013
Movements in working capital :		
Decrease/(Increase) in Trade and other Receivables	11085	(302)
Decrease/(Increase) Inventories	(33331)	(31073)
(Decrease)/Increase in Trade Payables	(6457)	2533
Decrease/(Increase) in Long Term Loans and Advances	504	277
Decrease/(Increase) in Short Terms Loans & Advances	3607	9412
Decrease/(Increase) in Other Non-Current Assets	(37)	(32)
Decrease/(Increase) in Other Current Assets	(19)	65
(Decrease)/Increase in Short Term Provisions	(109)	2343
(Decrease)/Increase in Other Current Liabilities	<u>(1439)</u>	<u>301</u>
Cash Generated from Operations	2624	4557
Less : Income Tax Paid (Net of Refunds)	<u>(2500)</u>	<u>(1800)</u>
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>124</u>	<u>2737</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
(Purchase)/Sale of Fixed Assets, including intangible assets, CWIP and capital Work-in-Progress	(1251)	10142
Profit on Sale of Fixed Assets	-	9392
Interest Received	1172	842
(Increase)/Decrease in Loans and Advances		
Increase in Interest Accrued on Investment		
Decrease in Revaluation Reserve		<u>(9072)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(79)</u>	<u>11304</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Short Term Borrowings	18703	1560
Proceeds from Long Term Borrowings		
Interest Paid	<u>(17642)</u>	<u>(14181)</u>
NET CASH FROM IN FINANCING ACTIVITIES	<u>1061</u>	<u>(12621)</u>
Net Increase/Decrease in Cash and Cash Equivalents	1106	1420
Cash and Cash Equivalents as at (Opening Balance)	10686	9266
Cash and Cash Equivalents as at (Closing Balance)	11792	10686
Note : Figures in Brackets Represent Outflows.		

FOR AND ON BEHALF OF THE BOARD

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

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

(NIKHIL KUMAR AGARWAL)
PARTNER
(Membership No.414647)

(SUNIL KUMAR JAIN)
DIRECTOR

JAIPUR
13th August, 2012

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTES 1 TO 42 : NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION :

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

2 SIGNIFICANT ACCOUNTING POLICIES :

(A) .BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

(B) .USE OF ESTIMATES :

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

(C) FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost and amount added/adjusted on revaluation less Accumulated depreciation in the books of account. The company capitalised all costs incidental to acquisition and installation of fixed assets. Depreciation on fixed assets is charged on straight line method at the rates prescribed in Schedule XIV of the Companies Act,1956 as amended by circular No.1/12/92/CLV/dated 16.12.93 except on GI Plant and Building which have commenced commercial production w.e.f. 16th February,1996, and vehicals purchased after 01-04-1998 depreciation has been provided on written down value method at the rates prescribed in Schedule XIV of the Company Act,1956.

The amount of Depreciation on increase due to revaluation is being directly transferred to General Reserve from Revaluation Reserve.

(D) VALUATION OF INVENTORIES :

Inventories are valued as under :

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

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

(E) SALES

Sales are inclusive of conversion sale net of return, excise duty, rebate, claims, Freight and discount etc. Consignment Sales are recognised on receipt of statement of account from the Agent.

(F) EXCISE DUTY

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

(G) INVESTMENT

Investment are valued at cost .

(H) RETIREMENT BENEFITS

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

(I) DEFERRED TAX :

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

(J) CONTINGENT LIABILITIES :

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

3 SHARE CAPITAL

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
Authorised		
80,00,000 (Previous Year 80,00,000) Equity Shares of Rs.10/- each	8,00,00,000 =====	8,00,00,000 =====
Issued, Subscribed & Paid up		
45,07,800 (Previous Year 45,07,800)Equity Shares of Rs.10/- each fully paid up	4,50,78,000	4,50,78,000
Less : Allotment Money due towards Capital A/c	79,500 -----	79,500 -----
	4,49,98,500	4,49,98,500

Reconciliation of Number of Shares

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

a) Rights, Preferences and restrictions attached to shares.

Equity Shares :

The Company has one class of equity shares having a par value of Rs.10/- each. Each Shareholder is eligible for one vote per share held. In the event of Liquidation, The equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts if any, in proportion to their shareholding.

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

	<u>As at 31.03.2012</u>	<u>As at 31.03.2011</u>
	Number of Share (%)	Number of Share (%)
Equity Shares		
TRIDEV FINANCE COMPANY LIMITED	360469 (7.99%)	360873 (8.00%)
HARISH CHAND JAIN	282796 (6.27%)	282796 (6.27%)
DEEPIKA MANAK CHAND JAIN	230046 (5.10%)	230972 (5.12%)
SWASTIKA INVESTMART LTD.	390932 (8.67%)	390932 (8.67%)
VINOD KUMAR THOLIYA HUF	239639 (5.32%)	-

4 : RESERVES & SURPLUS

General Reserve

Opening balance	1101636	2958171
Add: Transferred from Revaluation Reserve	-	329151
Add: Transferred from Statement of Profit & Loss	5000000	5000000
Less: Transferred to Revaluation Reserve	-	7185686
	<u>6101636</u>	<u>1101636</u>

Securities Premium Account

Opening balance	16539000	16539000
Less: allotment Money due towards Premium account	26500	26500
	<u>16512500</u>	<u>16512500</u>
Investment Allowance Utilization Reserve	1747490	1747490

Revaluation Reserve

Opening Balance	-	2215787
Add: Transferred from General Reserve	-	7185686
Less: Transferred to General Reserve	-	329151
Less: Transferred To Fixed Assets	-	<u>9072322</u>
		-

Surplus in Statement of Profit and Loss

Opening balance	38506542	32299784
Add: Profit for the year after Taxation as per Statement of Profit & Loss	7249419	11206758
Less : Appropriations		
Transfer to General Reserve	5000000	5000000
	<u>40755961</u>	<u>38506542</u>
	<u>65117587</u>	<u>57868168</u>

5 : LONG-TERMS BORROWINGS

UNSECURED LOANS

From Other Parties (Companies)	1185000	1185000
	<u>1185000</u>	<u>1185000</u>

6 : DEFERRED TAX LIABILITIES (NET)

DEFERRED TAX LIABILITIES

Difference between carrying amount of fixed assets in the financial statement and the income tax computation	2693529	2919976
	<u>2693529</u>	<u>2919976</u>

7 : SHORT-TERM BORROWINGS

As at 31.03.2012 As at 31.03.2011

SECURED LOANS

ON CASH CREDIT ACCOUNT

145856246

127153084

145856246

127153084

N O T E :

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

8 : OTHER CURRENT LIABILITIES

STATUTORY DUES (VAT PAYABLE)

3923848

5428098

TDS PAYABLE

22515

80000

OTHER LIABILITIES

285548

162333

4231911

5670431

9 : SHORT-TERM PROVISIONS

PROVISION FOR EXCISE ON FINISHED GOODS

4365812

4414473

PROVISION FOR TAXATION

2500000

2560000

6865812

6974473

10 : FIXED ASSETS

Depreciation	Gross Block as at 01.04.2011	Addition	Deletions/Adjustment	Gross Block as at 31.03.2012	Accumulated Depreciation/Amortisation as at 1.4.2011	Depreciation / Amortisation for the year	Deletions /Adjustments	Accumulated Depreciation/Amortisation as at 31.3.12	Net Block Value as at 31.3.12	Net Block Value as at 31.3.11
(a) Tangible assets (Owned)	-	-	-	-	-	-	-	-	-	-
Freehold Land	4752650	-	-	4752650	-	-	-	-	4752650	4752650
Building	22717525	-	-	22717525	8528357	630488	-	9158845	13558680	14189168
Plant & Machinery	49405620	-	-	49405620	40800212	1824899	-	42625111	6780509	8605408
Furniture & Fixtures	352296	-	-	352296	224820	22300	-	247120	105176	127476
Vehicles	9390355	547471	-	9937826	8491133	318448	-	8809581	1128245	899222
Office Equipments	655473	55700	-	711173	574271	30937	-	605208	105965	81202
TOTAL	87273919	603171		87877090	58618793	2827072	-	61445865	26431225	28655126
Previous Year	95816523	9688021	18230625	87273919	60932025	2838753	5151985	58618793	28655126	34884498
(b) Capital Work-in-Progress	-	648144	-	-	656826	-	-	-	-	-
Previous Year	6752401		6752401	-	-	-	-	-	-	-

11 : NON-CURRENT INVESTMENTS

As at 31.03.2012 As at 31.03.2011

TRADE INVESTMENTS (AT COST)

A) QUOTED (TRADE)

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

N.S.C.

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

12 : LONG-TERM LOANS AND ADVANCES**UNSECURED CONSIDERED GOOD**

SECURITIES DEPOSIT

	<u>409036</u>	<u>912655</u>
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13 : OTHER NON-CURRENT ASSETS:**INTEREST ACCRUED ON NSC**

	<u>109163</u>	<u>71790</u>
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14 : INVENTORIES

RAW MATERIAL

	101569040	82006290
--	-----------	----------

STORES

	6721800	5800952
--	---------	---------

SPARES LOOSE TOOLS

	186319	186319
--	--------	--------

STOCK -IN-PROCESS

	31239551	25627195
--	----------	----------

FINISHED STOCK

	53872132	47342488
--	----------	----------

FINISHED GOODS IN TRANSIT

	704917	-
--	--------	---

	<u>194293759</u>	<u>160963244</u>
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15 : TRADE RECEIVABLE**(UNSECURED, CONSIDERED GOOD)**

DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS

	7065089	42982049
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OTHER DEBTS

	116470088	91638213
--	-----------	----------

	<u>123535177</u>	<u>134620262</u>
--	------------------	------------------

16 : CASH AND BANK BALANCES

BALANCE WITH BANK

IN CURRENT ACCOUNT

	62924	65910
--	-------	-------

IN FIXED DEPOSIT ACCOUNTS *

	11059764	9790567
--	----------	---------

CASH ON HAND

	669295	829063
--	--------	--------

	<u>11791983</u>	<u>10685540</u>
--	-----------------	-----------------

* Fixed Deposit with Banks include Deposit of Rs.11059764 (Previous year Rs.9790567) with maturity of more than 12 months

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

PREPAID EXPENSES

	3284252	2488580
--	---------	---------

OTHER ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED

	13916535	18319159
--	----------	----------

	<u>17200787</u>	<u>20807739</u>
--	-----------------	-----------------

18 : OTHER CURRENT ASSETS:

INTEREST ACCRUED ON FDR

	42336	23752
--	-------	-------

19 : REVENUE FROM OPERATIONS

SALES OF GOODS	1005365103	793949889
Less : excise duty	<u>50783589</u>	<u>36254656</u>
	954581514	757695233

20 : OTHER INCOME (NET)

INTEREST ON BANK DEPOSIT	1105134	727023
OTHER INTEREST	<u>66951</u>	<u>114571</u>
	1172085	841594

21 : COST OF MATERIAL CONSUMED

IMPORTED	-	-
INDIGENOUS	<u>915223133</u>	<u>687651535</u>
	915223133	687651535

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

FINISHED GOODS	54577049	47342488
STOCK-IN-PROCESS	<u>31239551</u>	<u>25627195</u>
	85816600	72969683

INVENTORIES (AT OPENING)

FINISHED GOODS	47342488	87052692
WORK-IN-PROGRESS	<u>25627195</u>	<u>17357582</u>
	72969683	104410274
	(12846917)	31440591

23 : EMPLOYEES BENEFIT EXPENSES

SALARIES WAGES AND BONUS	3637423	3413789
STAFF WELFARE EXPENSES	12347	23450
PROVIDENT FUND	<u>42368</u>	<u>30950</u>
	3692138	3468189

24 : FINANCE COSTS

INTEREST	17642061	14180546
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25 : OTHER EXPENSES

CONSUMPTION OF STORES AND SPARE PARTS	2912034	2635631
POWER AND FUEL	2922942	1864579
RATE AND TAXAES	240356	44130
REPAIRING MAINTENANCE OF PLANT & MACHINERY	227490	1325
LEGAL AND PROFESSIONAL AND CONSULTANCY CHARGES	165950	234700
INSURANCE	276689	124771
TRAVELLING AND CONVEYANCE	181443	49939
PRINTING AND STATIONERY	40110	49232
POSTAGE, TELEGRAM & TELEPHONE	151929	145217
EXCISE DUTY ON CLOSING STOCK OF FINISHED GOODS	1503349	543260
BANK COMMISSION	5302595	2857494
CONSIGNMENT COMMISSION & OTHER EXPENSES	222390	307555
MISCELLANEOUS EXPENSES	974604	967413
BOARD MEETING EXPENSES	16800	15600
REMUNERATION TO AUDITOR'S	41000	41000
VEHICLE RUNNING & MAINTENANCE	<u>4513459</u>	<u>4240025</u>
	19693140	14121871

II. NOTES ON FINANCIAL STATEMENT :

(26) Contingent liabilities not provided for :

	As at 31.3.2012 (Rs.)	As at 31.3.2011 (Rs.)
(i) Guarantee given by Bank against which the Directors have given counter guarantees.	525000	1881854
(ii) Letter Credit Outstanding	105500000	92000020
(iii) Claims Lodged by the company	7202456	7202456

(27) Payment to Auditors.

	Current Year (Rs)	Previous Year (Rs)
(i) Audit fees	18500	18500
(ii) Tax Audit	7000	7000
(iii) Reimbursement of Expenses	15500	15500

(28) Sundry Debtors, Loans & Advances and Creditors balances are subject to confirmation from respective parties and are considered good by the management.

(29) The company extends the benefit of encashment of leave to its employees while in service as well as on retirement. As the company does not have any defined retirement benefit scheme in this respect, Accounting Standard AS-15 issued by the Institute of Chartered Accountants of India is not considered Applicable. There is no pending encashment of leave of employees at the end of year hence no provision is required. Provision for Gratuity has not been considered as none of the employees has Completed Prescribed year of service.

(30) In the opinion of the management the Current Assets and Advances are approximately of the value stated, if realised in the ordinary course of business unless otherwise stated. The provisions for all liabilities are adequate.

(31) Provision for taxation for the current year has been made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961 and as per section 115 JB of the Income Tax Act, 1961.

(32) The company has not received any information from suppliers or service providers whether they are covered under the micro small and medium enterprises (Development) Act, 2006 disclosure relating to amount unpaid at the year end together

with interest payable if any as required under the said act are not ascertainable.

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

(34) Related Party Transactions:

(a) Relationship :

(i) Company under common Control of the Promoters.

(a) Tridev Finance Company Limited.

(ii) Key Management Personnel

(a) Shri Harish Chand Jain (Managing Director)

(b) Shri Sunil Kumar Jain (Director)

(iii) Relatives of Director :

(a) Sourabh Jain

(b) Pradeep Jain

(c) Kanta Devi Jain

(b) The Following Transactions were carried out with related parties in the Financial year 2011-2012.

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

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

3. Board Meeting Fees : Rs.16800/- paid to Key Management Personnel.

4. Salary Rs.180000/- Paid to Shri Pradeep Jain.

5. Salary Rs.180000/- Paid to Shri Sourabh Jain.

6. Loans & Advance taken and paid back Rs.2800000/-

7. Loans & Advance Granted and received back Rs.11676000/-

(c) The following balance were due from/to the related parties as on 31.03.2012

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

(35) The managing director has been paid Rs 720000/- (previous year RS.720000/-) as remuneration as per schedule XIII of the Companies Act, 1956. Computation of net profit for the purpose, of managerial remuneration in accordance with the Companies Act, 1956 has not been given as no commission by way of a percentage of profit is payable for the year under review.

(36) Tax deducted at source on interest income included in other income is Rs.110481/- (Previous year Rs.72978/-).

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

(38). C.I.F. value of imports : Rs. Nil (Previous year Nil)

(39). F.O.B. value of exports : Rs. Nil (Previous year Nil)

(40). **Earning Per Share**

Net Profit/ (Loss) after current and deferred tax	7249419
Weighted average number of equity shares of Rs.10/- each	: 4507800
EPS (Rs.) - Basic and Diluted	1.61

(41). Corresponding figures of the previous year have been regrouped to confirm with this year's grouping wherever necessary.

(42). Figures have been rounded off to the nearest rupee.

FOR AND ON BEHALF OF THE BOARD

IN TERMS OF OUR REPORT OF
EVEN DATE ANNEXED.

For PRAMOD & ASSOCIATES

Chartered Accountants

(Registration No.001557C)

(HARISH CHAND JAIN)

CHAIRMAN & MANAGING DIRECTOR

(NIKHIL KUMAR AGARWAL)

PARTNER

(Membership No.414647)

(SUNIL KUMAR JAIN)

DIRECTOR

JAIPUR,
13th August, 2012

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Regd. Office :
404, Shekhawati Complex, Station Road, Jaipur.

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

I hereby record my presence at the 26th ANNUAL GENERAL MEETING on Friday
28th September, 2012 at 10.00 A.M. at " ANOKHA GAON " Near Road No.14, Vish-
wakarma Industrial Area, Sikar Road, Jaipur.

(IN BLOCK LETTERS)

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

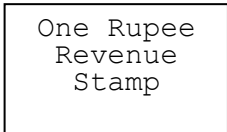
Ledger Folio No....., No.of Share held
DP Id No..... Client Id.No.....
..... (TEAR HERE)
FORM OF PROXY

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Regd. Office :
404, Shekhawati Complex, Station Road, Jaipur.

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 26th Annual General Meeting of the Company to be
held on friday, the 28th September,2012 at 10.00 A.M. and at any adjournment
thereof.

Signed this day of 2012.
Signed by the said



Note : This Form in order to be effective should, completed and must be