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RAJASTHAN
RTL

ANNUAL REPORT

2012-2013



Rajasthan Tube
Manufacturing Company Ltd.

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

RAJASTHANTUBE 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 their 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

Sd/-
(Sunil Kumar Jain)
Director

ANNUAL REPORT 2012-13

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 :

MANSI MATHUR & COMPANY
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

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RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTICE

Notice is hereby given that the 27th Annual General Meeting of RAJASTHANTUBE MANUFACTURING COMPANY LIMITED will be held at ANOKHA GAON, Near Road No.14, Vishwakarma Industrial Area, Sikar Road, Jaipur on Saturday the 21st September, 2013 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, 2013, Balance Sheet as on that date, the Directors' Report and Auditors' Report thereon.
2. To appoint Directors in place of Shri Mahendra Kumar 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.

Registered Office :

404, Shekhawati Complex,
Station Road, JAIPUR

By order of the Board

Sd/-

(SUNIL KUMAR JAIN)
DIRECTOR

Dated : 30th July, 2013

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

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 19th September, 2013 to 21st September, 2013 (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 Mahendra Kumar Jain has been director of the company since January, 2011. 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.

**RAJASTHAN TUBE MANUFACTURING
COMPANY LIMITED**

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 27th Annual Report on the operations of your company together with audited statement of accounts for the year ended on 31st March, 2013.

1. FINANCIAL RESULTS :

	For the year ended on 31.3.2013 (Rs.in lacs)	For the year ended on 31.3.2012 (Rs.in lacs)
Total Sales & Other Income	10633.16	9557.54
Profit Before Interest & Depreciation	310.89	299.92
Interest	244.37	176.42
Profit Before Depreciation	66.52	123.50
Depreciation	28.14	28.27
Net Profit before Taxation	38.38	95.23
Provision for Taxation	15.50	25.00
Deferred Tax (Net)	(2.26)	(2.26)
Net Profit after Taxation	25.14	72.49
Balance brought forward from previous year	407.56	385.07
profit available for appropriation	432.70	457.56
Transfer to General Reserve	-	50.00
Balance carried to Balance Sheet	432.70	407.56

2. DIVIDEND :

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

3. YEAR IN RETROSPECT :

During the year under review, the sales and other income during the year increased to Rs. 10633.16 Lacs as compared to Rs. 9557.54 Lakh in the previous year. The Profit after tax during the year was Rs. 25.14 lacs as compared to Rs. 72.49 lacs in the previous year.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

4. 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. 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.

5. 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

6. EXPANSION/DIVERSIFICATION

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

7. 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 2012-2013 to the stock exchanges except to stock exchange where the company has applied for delisting of shares of the company.

8. FIXED DEPOSITS :

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

9. DIRECTORS' 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 judgements 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, 2013 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.

10. 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 Director Rules, 1988 is Nil

11. 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.

12. DIRECTORS :

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

13. 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.

14. CORPORATE GOVERNANCE :

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

15. 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 Mansi Mathur & Company, 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.

16. 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.

17. COST AUDITOR :

Your Directors have with the approval of the Ministry of Corporate affairs, appointed **M/s M Goyal & COMPANY** Cost Accountants, as the Cost Auditors of the Company for the financial year 2012-13.

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**

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

For and on Behalf of the Board

Sd/-

(HARISH CHAND JAIN)

CHAIRMAN & MANAGING DIRECTOR

Dated : 30th July, 2013

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. 7 (Seven) Board Meetings were held during 2012-2013 and the gap between two meetings did not exceed four months. The date on which the Board Meeting were held were 28.04.2012, 28.06.2012, 28.07.2012, 13.08.2012, 27.10.2012, 29.01.2013 & 30.03.2013.

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 2012-13	Whether Attended AGM Held on other Companies as Dt:28.09.2012	No. of Directorship in Chairman Director
Mr. Harish Chand Jain (Chairman)	Non Independent/ Executive Chairman	7	Yes	- 1
Mr. Sunil Kumar Jain	Independent/ Non Executive/	7	Yes	- 1
Mr. Deepesh Jain	Independent/ Non Executive	7	Yes	- -
Mr. Mahendra Kumar Jain	Independent/ Non Executive	7	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 1.04.2012 to 31.03.2013. The said meeting's were held on 28.04.2012, 28.07.2012, 13.8.2012, 27.10.2012, 29.01.2013. The constitution of committee and attendance of each member of the committee as on March 31, 2013 are given below :-

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

SL. No.	Names Of Members	Category	No. of Meetings attend during the year 2012-13	
			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 sufficeint 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 managment 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 judgegment by managment.
 - * 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 promotors or the managment their subsidiaries or relative etc. that may have potential confilicat with the interest of company at large.
4. Reveiwng with the managment, external and internal auditors the adequancy of internal control systems.

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

5. Reviwing the adequacy of internal audit funtion 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. Reviwing 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. Reviwing 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 Tax 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 Harish Chand Jain Managing Director is Compliance Officer of the Company in terms of listing agreement beside this Shri Punit Mittal General Manager M/s Beetal Financial & Computer Services (P) Ltd. (Share Transfer Agent) is also looking after grievance of Shareholders. The committee consituted 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

There is no investor complaint pending as on 30th June, 2013.

6. GENERAL BODY MEETINGS :

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

AGM No.	Date	Time	Vanue
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
26th AGM	28th Sept., 2012	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 2012-2013.

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. 380000/- Paid to Shri Pradeep Jain .
5. Salary Rs. 380000/- Paid to Shri Sourabh Jain .
6. Loans & Advance Granted and received back Rs. 14585000/-.

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 Mint (English) and Nafa Nuksan (Hindi) All information relating to investors

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

can also be seen at our website www.rajtube.com

9. GENERAL SHAREHOLDERS INFORMATION :

S.No.	Slient Items of interest	Particulars
1.	AGM Date,Time and venue	21st Sept., 2013 (10:00 AM) Anokha Gaon, V.K.I.A,Sikar Road,Jaipur
2.	Financial calendar	Year ending March 31, 2013
3.	Date of book closure	19th Sept. to 21st Sept. 2013 (both days inclusive)
4.	Dividend payment date	No dividend was declared
5.	Listing on Stock Exchanges	<ol style="list-style-type: none"> 1. THE STOCK EXCHANGE, MUMBAI Phiroze Jee Jeebhoy Towers, Dalal street, Mumbai-400001 Tel. : +91-22-22721 233/34 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 transfered with in 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, 2013, 3607676 share were held in dematerialized mode.
10.	Outstanding GDRs/ADRs/warrents or any convertible instruments, conversion date and likely impact	There are no outstanding instruments and hence there will be no dilution of the equity.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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, 2013, 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 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 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 management has conducted the affairs of the company.

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

Jaipur
Dated : 28th May, 2013

Sd/-
(NIKHIL KUMAR ARARWAL)
Partner
(Membership No. 414647)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

MANSI MATHUR & COMPANY, COMPANY SECRETARIES

B-4/B, Shiv Marg, Bani Park, Jaipur-302016

COMPLIANCE CERTIFICATE

CIN : L27107RJ1985PLC003370
Nominal Capital Rs. 8,00,00,000/-

Paidup Capital Rs. 4,50,78,000

To,
The Members,
RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
404, Shekhawati Complex, Station Road,
JAIPUR-302006

I 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, 2013**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I 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 with the time prescribed under the Act and the rules made thereunder.
3. The company being public limited company, no comment required.
4. The Board of Directors duly met 7 (Seven) times on 28.04.2012, 28.06.2012, 28.07.2012, 13.08.2012, 27.10.2012, 29.01.2013 and 30.03.2013 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.
5. The Company closed its Register of Members from **26.09.2012 to 28.09.2012** (both days inclusive) and Necessary compliance of Section 154 of the Act has been made in this regard.
6. The Annual General Meeting for the financial year ended on 31.03.2012 was held on 28.09.2012 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.
7. No extra-ordinary general meeting was held during the financial year.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into contracts falling within the purview of section 297 of the Act.
10. The Company has duly made entries in the register maintained under section 301 of the Act.
11. The Company has made payments to relatives attracting provisions of section 314 of the Act and after complying with the provisions of the Companies Act, 1956.
12. The Company has not issued duplicate share certificates during the year.
- 13(a). The Company has:
 - (i) delivered all the certificates on lodgement thereof for transfer in accordance with the provisions of the Act. There was no allotment/transmission of securities during the year.
- 13(b). The Company has :
 - (i) not declared interim/final dividend during the financial year.
 - (ii) not required to post warrants to any members of the company as no dividend was declared during the financial year.
 - (iii) not required to transfer any amount to Investor Education & Protection Fund during the financial year.
 - (iv) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional director, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not made appointment managing director during the year.
16. The Company has not appointed sole selling agents during the financial year.
17. The Company has not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities prescribed under the various provisions of the Act and rules made thereunder.
18. The directors have disclosed in the other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued shares during the financial year.
20. The Company has not bought back shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There was no transactions necessitating the company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

23. The Company has complied with the provisions of Section 58A and 58AA read with Rule 2 (b)(iv) of the Companies (Acceptance of Deposit Rules, 1975, to the extent of unsecured loans taken from body corporates, being exempted.
24. The Company has made borrowing from public financial institutions, banks and others during the financial year ending 31.03.2013 which are within the borrowing limits of the Company.
25. The Company has made loans and investments or given 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.
26. The Company has not altered the provisions of the memorandum with respect to situation of registered office of the company from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to the name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to the share capital of the company during the year under scrutiny.
30. The Company has not altered the articles of association of the company during the year under scrutiny.
31. The Company has neither received show cause notice for alleged offence nor any prosecution was initiated under the Act during the financial year.
32. The Company has not received any security from its employees during the financial year.
33. The Company has deposited both employee's and employers contribution to Provident Fund with the prescribed authorities to pursuant section 418 of the Act.

Place : Jaipur
Dated : 28th May, 2013

Sd/-
Name of Company Secretary : MANSI MATHUR
C.P. No. 7291

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Annexure A of Compliance Certificate Dated 28th May, 2013 of Rajasthan Tube Manufacturing Company Limited.

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 | u/s 303 |
| (6) | Register of Directors Shareholding | u/s 307 |
| (7) | Register of Share Transfers | |
| (8) | Register of Director's Attendance | |
| (9) | Register of Shareholder's Attendance | |

Annexure B of Compliance Certificate Dated 28th May, 2013 of Rajasthan Tube Manufacturing Company Limited.

Forms and Returns as filed by the Company with the Register of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2013.

S.No.	Forms & Documents Filed	Under Section	Date of Filing	In Time or With late Fee
1.	Balance Sheet & Profit & Loss Account as at 31.3.2012	220(1)	18.12.2012	In Time
2.	Annual Return Made upto 28.9.2012	159(1)	17.11.2012	In Time
3.	Compliance Certificate	383A(1)	27.10.2012	In Time
4.	Form 8 dated 18.5.2012	125(1)	07.06.2012	In Time
5.	Form 23 dated 28.9.2012	314	27.10.2012	In Time

Place: Jaipur
Dated: 28th May, 2013

Sd/-
Name of Company Secretary : MANSI MATHUR
C.P. No. 7291

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Annexure "III"

CERTIFICATION BY MANAGING DIRECTOR OF THE COMPANY

We hereby certify that for the financial year ending 31st March, 2013 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 2012-2013 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 : 28th May, 2013

Sd/-
(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 website 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 company have affirmed compliance with the code of conduct for financial year 2012-2013.

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

Dated : 28th May, 2013

Sd/-
(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management : Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 :

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
 - (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 account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - (e) On the basis of written representations received from the Directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (l) of section 274 of the Companies Act, 1956.

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

Sd/-

(NIKHIL KUMAR AGARWAL)

Partner

(Membership No. 414647)

Jaipur

Dated : 28th May, 2013

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

**ANNEXURE 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. 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 Five and amount involved was Rs.14585000/- And there is no outstanding at the year end.
 - b) No
 - c) Not applicable.
 - d) Not applicable.
 - e) The Company has not taken loans secured or unsecured from Companies firms or other parties covered in the register maintained under section 301 of the Act.
 - 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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/socities.
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.

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

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 : 28th May, 2013

Sd/-
(NIKHIL KUMAR AGARWAL)
Partner
(Membership No. 414647)

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2013**

	Note	As at 31.03.2013 (Rs.)	As at 31.3.2012 (Rs.)
A. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	44998500	44998500
(b) Reserves & Surplus	4	67631831	65117587
		-----	-----
		112630331	110116087
2. Non-Current Liabilities			
(a) Long term Borrowings	5	1185000	1185000
(b) Deferred Tax Liabilities (Net)	6	2467635	2693529
		-----	-----
		3652635	3878529
3. Current Liabilities			
(a) Short Term Borrowings	7	185134883	145856246
(b) Trade Payables	32	142281656	104420025
(c) Other Current Liabilities	8	3286601	4231911
(d) Short Term Provisions	9	7466844	6865812
		-----	-----
		338169984	261373994
		-----	-----
TOTAL		454452950	375368610
		-----	-----
B. Assets			
1. Non-Current Assets			
(a) Fixed Assets			
i. Tangible Assets	10(a)	25059185	26431225
ii. Capital Work-in-progress	10(b)		648144
(b) Non-Current Investments	11	907000	907000
(c) Long Term Loans and Advances	12	420135	409036
(d) Other Non-Current Assets	13	148003	109163
		-----	-----
		26534323	28504568
		-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

2. Current Assets

(a) Inventories	14	204022181	194293759
(b) Trade Receivables	15	165253320	123535177
(c) Cash and Bank Balance	16	13580314	11791983
(d) Short Term Loans and Advances	17	44989983	17200787
(e) Other Current Assets	18	72829	42336
		-----	-----
		427918627	346864042
		-----	-----
TOTAL		454452950	375368610
		-----	-----

**C. SIGNIFICANT ACCOUNTING POLICIES
NOTE ON FINANCIAL STATEMENT 1-44**

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

JAIPUR,
28th May, 2013

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

(SUNIL KUMAR JAIN)
DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2013**

	Note	For the year 31.03.2013 (Rs.)	For the year 31.3.2012 (Rs.)
INCOME			
Revenue from Operation	19	1061876308	954581514
Other Income	20	1439628	1172085
TOTAL REVENUE		<u>1063315936</u>	<u>955753599</u>
EXPENSES			
Cost of Material Consumed	21	1009318710	915223133
Change in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	22	(2654541)	(12846917)
Employee Benefit Expenses	23	4111246	3692138
Finance Costs	24	24437407	17642061
Depreciation and amortization Expenses	10	2813757	2827072
Other Expenses	25	21451007	19693140
TOTAL EXPENSES		<u>1059477586</u>	<u>946230627</u>
PROFIT BEFORE EXCEPTIONAL AND EXTRA ORDINARY ITEMS & TAX		3838350	9522972
Profit Before Tax		3838350	9522972
Less :Tax Expense			
Current Tax		1550000	2500000
Deferred Tax		(225894)	(226447)
PROFIT FOR THE YEAR		2514244	7249419
EARNINGS PER EQUITY SHARE			
BASIC AND DILUTED (in Rs.) (Face value of Rs.10/- each)		0.56	1.61

SIGNIFICANT ACCOUNTING POLICIES

NOTE ON FINANCIAL STATEMENT

1-44

As per our Report even date Annexed

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

FOR AND ON BEHALF OF THE BOARD
(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

JAIPUR,
28th May, 2013

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

(SUNIL KUMAR JAIN)
DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTES 1 TO 44 : 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 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 vehicles 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.

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

- (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. Debit Note/ Credit Note Pertaining to transaction with Govt./Semi-Govt. Organisation are debited and credited on the date of receipt of the same.

(F) EXCISE DUTY

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

(G) INVESTMENT

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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31.03.2013	As at 31.03.2012
3. SHARE CAPITAL		
Authorised		
80,00,000 (Previous Year 80,00,000) Equity Shares of Rs.10/- each	8,00,00,000	8,00,00,000
	=====	=====
Issued, Subscribed & Paid up		
45,07,800 (Previous Year 45,07,800) Equity Shares of Rs.10/- each fully paid up	4,50,78,000	4,50,78,000
Less : Allotment Money due towards Capital A/c	79,500	79,500
	-----	-----
	4,49,98,500	4,49,98,500

Reconciliation of Number of Shares

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

a) Rights, Preferences and restrictions attached to shares.

Equity Shares :

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

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

	As at 31.03.2013	As at 31.03.2012
Equity Shares	Number of Share (%)	Number of Share (%)
TRIDEV FINANCE COMPANY LIMITED	360469 (7.99%)	360469 (7.99%)
HARISH CHAND JAIN	282796 (6.27%)	282796 (6.27%)
DEEPIKA MANAK CHAND JAIN	330046 (7.32%)	230046 (5.10%)
SWASTIKA INVESTMART LTD.	390832 (8.67%)	390932 (8.67%)
VINOD KUMAR THOLIYA HUF	412547 (9.15%)	239639 (5.32%)

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

	As at 31.03.2013	As at 31.03.2012
4 RESERVES & SURPLUS		
General Reserve		
Opening balance	6101636	1101636
Add: Transferred from Revaluation Reserve	-	-
Add: Transferred from Statement of Profit & Loss	-	5000000
Less: Transferred to Revaluation Reserve	-	-
	-----	-----
	6101636	6101636
	-----	-----
Securities Premium Account		
Opening balance	16539000	16539000
Less: allotment Money due towards Premium account	26500	26500
	-----	-----
	16512500	16512500
	-----	-----
Investment Allowance Utilization Reserve	1747490	1747490
Surplus in Statement of Profit and Loss		
Opening balance	40755961	38506542
Add: Profit for the year after Taxation as per Statement of Profit & Loss	2514244	7249419
Less: Appropriations Transfer to General Reserve	-	5000000
	-----	-----
	43270205	40755961
	-----	-----
	67631831	65117587
	-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	As at 31.03.2013	As at 31.03.2012
5 LONG-TERMS BORROWINGS		
UNSECURED LOANS		
From Other Parties (Companies)	1185000	1185000
	-----	-----
	1185000	1185000
	-----	-----
6 DEFERRED TAX LIABILITIES (NET)		
DEFERRED TAX LIABILITIES		
Difference between carrying amount of fixed assets in the financial statement and the income tax computation	2467635	2693529
	-----	-----
	2467635	2693529
	-----	-----
7 SHORT-TERM BORROWINGS		
SECURED LOANS		
ON CASH CREDIT ACCOUNT	185134883	145856246
	-----	-----
	185134883	145856246
	-----	-----
<p>NOTE: Working Capital Loan is secured by way of first charge as hypothecation over all the current assets of the company including its book Debts. This loan is further secured by First Charge in respect of other movable and immovable fixed assets of Company and personal guarantee of Shri Harish Chand Jain, Managing Director of the company.</p>		
8 OTHER CURRENT LIABILITIES		
STATUTORY DUES (VAT PAYABLE)	2770572	3923848
SERVICE TAX PAYABLE	50258	-
TDS PAYABLE	46042	22515
OTHER LIABILITIES	419729	285548
	-----	-----
	3286601	4231911
	-----	-----
9 SHORT-TERM PROVISIONS		
PROVISION FOR EXCISE ON FINISHED GOODS	3416844	4365812
PROVISION FOR TAXATION	4050000	2500000
	-----	-----
	7466844	6865812
	-----	-----

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

10 FIXED ASSETS

Depreciation	Gross Block	Addition	Deletions/	Gross Block	Accumulated	Depreciation	Deletions/	Accumulated	Net Block	Net Block
as at	as at	-	Adjustment	as at	Depreciation	/Amortisation	Adjustments	Depreciation	Value as at	Value as at
01.04.2013	-31.03.2013			-31.03.2013	/Amortisation	for the		/Amortisation	31.3.2013	31.3.2012
					as at	year		as at		
					1.4.2012			31.3.2013		
(a) Tangible assets (Owned)										
Freehold Land	4752650	-	-	4752650	-	-	-	-	4752650	4752650
Building	22717525	648144	-	23365669	9158845	627641	-	9786486	13579183	13558680
Plant & Machinery	49405620	772173	-	50177793	42625111	1808513	-	44433624	5744169	6780509
Furniture & Fixtures	352296	-	-	352296	247120	22300	-	269420	82876	105176
Vehicles	9937826	-	-	9937826	8809581	321804	-	9131385	806441	1128245
Office Equipments	711173	21400	-	732573	605208	33499	-	638707	93866	105965
TOTAL	87877090	1441717	-	89318807	61445865	2813757	-	64259622	25059185	26431225
Previous Year	87273919	603171	-	87877090	58618793	2827072	-	61445865	26431225	28655126
(b) Capital Work-in-Progress										
Previous Year	648144	-	648144	-	-	-	-	-	648144	-

As at 31.03.2013 As at 31.03.2012

11 NON-CURRENT INVESTMENTS

TRADE INVESTMENTS (AT COST)

A) QUOTED (TRADE)

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

N.S.C.	362000	362000
	907000	907000

12 LONG-TERM LOANS AND ADVANCES

UNSECURED CONSIDERED GOOD

SECURITIES DEPOSIT	420135	409036
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13 OTHER NON-CURRENT ASSETS:

INTEREST ACCRUED ON NSC	148003	109163
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RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

14	INVENTORIES		
	RAW MATERIAL	108654221	101569040
	STORES	6710500	6721800
	SPARES LOOSE TOOLS	186319	186319
	STOCK -IN-PROCESS	27404206	31239551
	FINISHED STOCK	61066935	53872132
	FINISHED GOODS IN TRANSIT	-	704917
		204022181	194293759
15	TRADE RECEIVABLE		
	(UNSECURED, CONSIDERED GOOD)		
	DEBTS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS	9342664	7065089
	OTHER DEBTS	155910656	116470088
		165253320	123535177
16	CASH AND BANK BALANCES		
	BALANCE WITH BANK		
	IN CURRENT ACCOUNT	97213	62924
	IN FIXED DEPOSIT ACCOUNTS *	12096501	11059764
	CASH ON HAND	1386600	669295
		13580314	11791983
	* Fixed Deposit with Banks include Deposit of Rs. 12096501 (Previous year Rs. 11059764) with maturity of more than 12 months		
17	SHORT-TERM LOANS AND ADVANCES		
	(UNSECURED CONSIDERED GOOD)		
	PREPAID EXPENSES	2584897	3284252
	OTHER ADVANCES RECOVERABLE IN CASH OR KIND FOR VALUE TO BE RECEIVED	42405086	13916535
		44989983	17200787
18	OTHER CURRENT ASSETS :		
	INTEREST ACCRUED ON FDR	72829	42336

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	Year ended 31.03.2013	Year ended 31.03.2012
19 REVENUE FROM OPERATIONS		
SALES OF GOODS	1151387860	1005365103
Less : excise duty	89511552	50783589
	<u>1061876308</u>	<u>954581514</u>
20 OTHER INCOME (NET)		
INTEREST ON BANK DEPOSIT	1083494	1105134
OTHER INTEREST	356134	66951
	<u>1439628</u>	<u>1172085</u>
21 COST OF MATERIAL CONSUMED		
IMPORTED	-	-
INDIGENOUS	1009318710	915223133
	<u>1009318710</u>	<u>915223133</u>
22 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE INVENTORIES (AT CLOSING)		
FINISHED GOODS	61066935	54577049
STOCK-IN-PROCESS	27404206	31239551
	<u>88471141</u>	<u>85816600</u>
INVENTORIES (AT OPENING)		
FINISHED GOODS	54577049	47342488
WORK-IN-PROGRESS	31239551	25627195
	<u>85816600</u>	<u>72969683</u>
	(2654541)	(12846917)
23 EMPLOYEES BENEFIT EXPENSES		
SALARIES WAGES AND BONUS	4049744	3637423
STAFF WELFARE EXPENSES	18302	12347
PROVIDENT FUND	43200	42368
	<u>4111246</u>	<u>3692138</u>

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

24	FINANCE COSTS		
	INTEREST	24437407	17642061
25	OTHER EXPENSES		
	CONSUMPTION OF STORES AND SPARE PARTS	2341464	2912034
	POWER AND FUEL	4615134	2922942
	RATE AND TAXAES	65286	240356
	REPAIRING MAINTENANCE OF PLANT & MACHINERY	95266	227490
	REPAIRING MAINTENANCE OF BUILDING	38500	-
	LEGAL AND PROFESSIONAL AND CONSULTANCY CHARGES	206000	165950
	INSURANCE	241427	276689
	TRAVELLING AND CONVEYANCE	255188	181443
	PRINTING AND STATIONERY	33560	40110
	POSTAGE, TELEGRAM & TELEPHONE	111574	151929
	EXCISE DUTY ON CLOSING STOCK OF FINISHED GOODS	792635	1503349
	BANK COMMISSION	6298678	5302595
	CONSIGNMENT COMMISSION & OTHER EXPENSES	232898	222390
	MISCELLANEOUS EXPENSES	1085596	974604
	BOARD MEETING EXPENSES	16800	16800
	REMUNERATION TO AUDITOR'S	41000	41000
	VEHICLE RUNNING & MAINTENANCE	4980001	4513459
		-----	-----
		21451007	19693140
		-----	-----

II. NOTES ON FINANCIAL STATEMENT :

(26) Contingent liabilities not provided for :

	As at 31.03.2013	As at 31.03.2012
	(Rs.)	(Rs.)
(i) Guarantee given by Bank against which the Directors have given counter guarantees.	525000	525000
(ii) Letter Credit Outstanding	96458870	105500000
(iii) Claims Lodged by the company	-	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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (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 has filed suit against Two Parties for Rs.2905631/- Towards cheque return. This amount included interest amounting to Rs.284468/-. No provision has been made in the books of accounts as management is of the opinion that amount is recoverable as it pertains to suit U/s 138 of Negotiable Instrument Act.
- (34) Debit Note/ Credit Note pertaining to transaction with RAJSICO are booked in the year of receipt of the respective debit note/ credit note.
- (35) The Company operates solely in the Steel Tube/Pipes and Sheets segment hence no separate information for segment wise disclosure is required.
- (36) Related Party Transactions:
- (a) Relationship :
 - (i) Company under common Control of the Promoters.
 - (a) Tridev Finance Company Limited.
 - (ii) Key Management Personnel
 - (a) Shri Harish Chand Jain (Managing Director)
 - (b) Shri Sunil Kumar Jain (Director)
 - (iii) Relatives of Director :
 - (a) Sourabh Jain
 - (b) Pradeep Jain
 - (c) Kanta Devi Jain

RAJASTHANTUBE MANUFACTURING COMPANY LIMITED

- (b) The Following Transactions were carried out with related parties in the Financial year 2012-2013.
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. 380000/- Paid to Shri Pradeep Jain.
 5. Salary Rs. 380000/- Paid to Shri Sourabh Jain.
 6. Loans & Advance Granted and received back Rs. 14585000/-
- (c) The following balance were due from/to the related parties as on 31.03.2013
1. Investment in Equity share of M/s Tridev Finance Co.Ltd.Rs.5,45,000/-
- (37) The managing director has been paid Rs 720000/-(previous year RS.720000/-) as remuneration as per schedule 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.
- (38) Tax deducted at source on interest income included in other income is Rs.108415/-(Previous year Rs.110481/-).
- (39) Inventory includes goods in transit and consignment stock pending sale.
- (40) C.I.F.value of imports : Rs.Nil (Previous year Nil)
- (41) F.O.B.value of exports : Rs.Nil (Previous year Nil)
- (42) **Earning Per Share**
- | | |
|---|---------|
| Net Profit/ (Loss) after current and deferred tax | 2514244 |
| Weighted average number of equity shares of Rs.10/- each: | 4507800 |
| EPS (Rs.) - Basic and Diluted | 0.56 |
- (43) Corresponding figures of the previous year have been regrouped to confirm with this year's grouping wherever necessary.
- (44) Figures have been rounded off to the nearest rupee.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR AND ON BEHALF OF THE BOARD

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

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

JAIPUR,
28th May, 2013

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

(SUNIL KUMAR JAIN)
DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013**

(Rs."000)

	Year Ended 31-3-2013	Year Ended 31-3-2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extra-ordinary Items	3838	9523
Adjustment for :		
Depreciation	2813	2827
(Profit)/Loss on Sale of Fixed Assets	-	-
Investment Income(Interest on Deposits etc.)	(1440)	(1172)
Interest Expenses	24437	17642
Operating Profit before working Capital Changes	29648	28820
Movements in working capital :		
Decrease/(Increase) in Trade and other Receivables	(41718)	11085
Decrease/(Increase) Inventories	(9728)	(33331)
(Decrease)/Increase in Trade Payables	37862	(6457)
Decrease/(Increase) in Long Term Loans and Advances	(11)	504
Decrease/(Increase) in Short Terms Loans & Advances	(27789)	3607
Decrease/(Increase) in Other Non-Current Assets	(39)	(37)
Decrease/(Increase) in Other Current Assets	(30)	(19)
(Decrease)/Increase in Short Term Provisions	601	(109)
(Decrease)/Increase in Other Current Liabilities	(945)	(1439)
Cash Generated from Operations	(12149)	2624
Less: Income Tax Paid (Net of Refunds)	(1550)	(2500)
NET CASH FLOW FROM OPERATING ACTIVITIES	(13699)	124
B. CASH FLOW FROM INVESTING ACTIVITIES :		
(Purchase)/Sale of Fixed Assets, including intangible assets, CWIP and capital Work-in-Progress	(794)	(1251)
Profit on Sale of Fixed Assets	-	-

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Interest Received	1440	1172
(Increase)/Decrease in Loans and Advances		
Increase in Interest Accrued on Investment		
Decrease in Revaluation Reserve	-	-
	-----	-----
NET CASH USED IN INVESTING ACTIVITIES	646	(79)
	-----	-----
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Short Term Borrowings	39278	18703
Proceeds from Long Term Borrowings		
Interest Paid	(24437)	(17642)
	-----	-----
NET CASH FROM IN FINANCING ACTIVITIES	14841	1061
	-----	-----
Net Increase/Decrease in Cash and Cash Equivalents	1788	1106
Cash and Cash Equivalents as at (Opening Balance)	11792	10686
Cash and Cash Equivalents as at (Closing Balance)	13580	11792

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

JAIPUR,
28th May, 2013

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

(SUNIL KUMAR JAIN)
DIRECTOR

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 27th ANNUAL GENERAL MEETING on Saturday 21st September, 2013 at 10.00 A.M. at "ANOKHA GAON", Near Road No.14, Vishwakarma Industrial Area, Sikar Road, Jaipur.

NAME OF THE SHARE HOLDER/PROXY
(IN BLOCK LETTERS)

SIGNATURE OF THE SHAREHOLDER/PROXY

Ledger Folio No., No.of Share held

DP Id No. Client Id.No.

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 27th Annual General Meeting of the Company to be held on Saturday, the 21st September, 2013 at 10.00 A.M. and at any adjournment thereof.

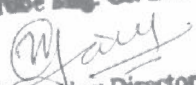

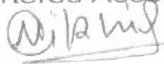

Signed this day of 2013.

Signed by the said

One Rupee
Revenue
Stamp

Note : This Form in order to be effective should, completed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

FORM A

1.	Name of the Company	RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
2.	Annual Financial Statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	To be signed by	
	Managing Director (CHARISH CHAND JAIN)	For Rajasthan Tube Mfg. Co. Ltd.  Managing Director
	CFO (CHARISH CHAND JAIN)	
	Auditor of the Company (Nikhil Kumar Agarwal)	For PRAMOD & ASSOCIATES Chartered Accountants  Partner
Audit Committee Chairmain (SUNIL KUMAR JAIN)	For Rajasthan Tube Mfg. Co. Ltd.  Director	