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RAJASTHAN
RTL

ANNUAL REPORT

2010-2011



Rajasthan Tube

Manufacturing Company Ltd.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Regd. 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 hence forth all communications / documents including the Notice calling the Annual General Meeting, Annual Reports etc. in electronic mode to those Members who have registered their e.mail 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 e.mail 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

ANNUAL REPORT 2010-11

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

ANNUAL REPORT 2011

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RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING
COMPANY LIMITED**

NOTICE

Notice is hereby given that the 25th 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 Saturday the 24th September, 2011 at 10 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit & Loss Account for the year ended on 31st March, 2011, Balance Sheet as on that date, the Directors' Report and Auditors' Report thereon.
2. To appoint Directors in place of Shri Sunil 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.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Mahendra Kumar Jain, who was appointed an additional Director of the Company by the Board of Director and who ceases to hold office under section 260 of the companies Act 1956 and in respect of whom the company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as Director of the company liable to retire by rotation."

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

By order of the Board

Dated : 8th August, 2011

Sd/-
(SUNIL KUMAR JAIN)
DIRECTOR

RAJASTHAN TUBE 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 22nd September, 2011 to 24th September, 2011 (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 Sunil Kumar Jain has been director of the company since July 2000. 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 & Liaison With Govt. Department.

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 08th August, 2011.

Item Nos. 4 :

Mr. Mahendra Kumar Jain, who was appointed an Additional Director of the Company by the board of Directors of the company. Shri Mahendra Kumar Jain is directly related in the field of Sales, liaison with Govt. Deptt.

According to the provisions of the Companies Act, 1956 he holds office as Director only upto the date of the ensuing Annual General Meeting. As required by section 257 of the Act a notice has been received from member signifying his intention to propose his appointment as a Director.

Having regard to Shri Mahendra Kumar Jain vast experience and in depth knowledge, the Board of Directors consider that the continuance of Shri Mahendra Kumar Jain as Director of the company will be highly beneficial to the company.

None of the Directors except Shri Mahendra Kumar Jain is concerned or interested in the resolution.

Your Directors Commend the resolution for approval.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING
COMPANY LIMITED**

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 25th Annual Report on the operations of your company together with audited statement of accounts for the year ended on 31st March, 2011.

1. FINANCIAL RESULTS :

	For the year ended on 31.3.2011 (Rs.in lacs)	For the year ended on 31.3.2010 (Rs.in lacs)
Total Sales & Other Income	7585.37	7019.72
Profit Before Interest & Depreciation	218.55	248.41
Interest	141.81	144.44
Profit Before Depreciation	76.74	103.97
Profit on sale of Fixed Assets	93.92	-
Depreciation	28.39	29.91
Net Profit before Taxation	142.27	74.06
Provision for Taxation	18.00	7.00
Deferred Tax (Net)	12.20	(2.61)
Net Profit after Taxation	112.07	69.67
Balance brought forward from previous year	323.00	253.33
profit available for appropriation	435.07	323.00
Transfer to General Reserve	50.00	-
Balance carried to Balance Sheet	385.07	323.00

2. DIVIDEND:

Your Directors are unable to recommend any dividend during the year under review in order to keep fund 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.7585.37 Lacs as compared to Rs.7019.72 Lakh in the previous year. The Profit after tax during the year was Rs.112.07 lacs as compared to Rs.69.67 lacs in the previous year.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

5. **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.

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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**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 2010-2011 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 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, 2011 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 Director 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 Sunil Kumar Jain, Director of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offer himself for reappointment.

Your Directors have coopted Shri Mahendra Kumar Jain as additional Director of the Company, under section 260 of the Companies Act, 1956 He will vacate office on the date of ensuing Annual General Meeting and will be seeking election for the office of Director of the Company, your Director welcome of Shri Mahendra Kumar Jain is confident that the company shall be immensely benefited by their mature guidance.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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
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 : 8th August, 2011

For and on Behalf of the Board

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Annexure-I

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 2010-2011 and the gap between two meetings did not exceed four months. The date on which the Board Meeting were held were 13-04-2010, 28-04-2010, 12-06-2010, 30-07-2010, 10-08-2010, 30-10-2010, 29-01-2011 & 31-03-2011.

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 2010-11	Whether Attended AGM Held on Dt:25.09.2010	No. of Directorship in other Companies 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. Rajendra kumar Jain	Independent/ Non Executive	1	No	- -

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 1.04.2010 to 31.03.2011. The said meeting's were held on 28-04-2010, 30-07-2010, 10-8-2010, 30-10-2010, 29-01-2011. The constitution of committee and attendance of each member of the committee as on March 31, 2011 are given below :-

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

SL. No.	Names Of Members	Category	No. of Meetings attend during the year 2010-2011	
			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	1	1

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 judegment 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 share-holders 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. Rajendra Kumar Jain .

5. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE.

Presently, the committee comprised of three non executive directors chaired by Shri Rajendra 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, 2011.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

6. GENERAL BODY MEETINGS :

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

AGM No.	Date	Time	Vanue
22nd AGM	27th Sept., 2008	10.00 AM	ANOKHA GAON, Near Road No.14, V.K.I.A., Sikar Road, Jaipur
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

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 2010-2011.

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.15600/- 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.6423906/-
7. Loans & Advance taken and paid back Rs.1200000/-

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 Cpmpany 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 Hindustan Times (English) and Khabaron ki Dunia (Hindi) All information relating to investors can also be seen at our website www.rajtube.com

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

9. GENERAL SHAREHOLDERS INFORMATION :

S.No.	Slit Items of interest	Particulars
1.	AGM Date, Time and venue	24th Sept., 2011 (10:00 AM) Anokha Gaon, V.K.I.A, Sikar Road, Jaipur
2.	Financial calendar	Year ending March 31, 2011
3.	Date of book closure	22nd Sept. to 24th Sept. 2011 (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. : +91-22-22721234/33 Fax : +91-22-22722082 2. THE DELHI STOCK EXCHANGE ASSOCIATION 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 530253 (BSE), 8343 (Delhi) & 567 (Jaipur) and ISIN No. INE497E01012
6.	Stock Code and ISIN Number	
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 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, 2011, 3565275 share were held in dematerialized mode.
10.	Outstanding GDRs/ADRs/warrants 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 2010-2011 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 2010-2011.
High :- Rs. 23.25/-
Low :- Rs. 8.52/-

14. Distribution of shareholding as on March 31, 2011

Range of shares	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 - 500	2123	77.79	471151	10.45
501 -1000	326	11.95	279101	6.19
1001-2000	152	5.57	245567	5.45
2001-3000	31	1.14	81580	1.81
3001-4000	18	0.66	64428	1.43
4001-5000	12	0.44	56753	1.26
5001-10000	26	0.95	181383	4.02
Over 10000	41	1.50	3127837	69.39
Total	2729	100.00	4507800	100.00

15. Categories of Shareholding as on March 31, 2011

Category	No. of share held	% of shareholding
Individuals	3731740	82.78
NRI's	45942	1.02
Companies	730118	16.20
Total	4507800	100.00

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, 2011, 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)

Sd/-

(ABHISHEK DALMIA)

Partner

(Membership No.403936)

Jaipur

Dated : 8th August, 2011

COMPLIANCE CERTIFICATE

CIN : L27107RJ1985PLC003370

Nominal Capital Rs. 8,00,00,000/-

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

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, 2011**. 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 duly 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 respectively, on 13.04.2010, 28.04.2010, 12.06.2010, 30.07.2010, 10.08.2010, 30.10.2010, 29.01.2011 and 31.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for this purpose. However, no circular resolution was passed.
4. The company closed its Register of Members from **23th September, 2010 to 25th September, 2010** (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 **31st March, 2010** was held on **25th Sept., 2010** after giving due notice to the members of the company and the resolution passed thereat were duly recorded in Minutes Book maintained for the purpose.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 lodgment 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 the appointment of director liable to retire by rotation has been duly made at the Annual General Meeting held on 25.09.2010. 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 the 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 58AA read with Rule 2(b)(vi) of the Companies (Acceptance of Deposit) 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, 2011 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
Dated : 8th August, 2011

Sd/-
(MANOJ MAHESHWARI)
PARTNER
Certificate of Practice No. 1971

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 Transfer | |
| (7) Register of Director's Attendance | |
| (8) Register of Share holder's attendance | |

Annexure B

Forms and Returns as filed by the Company with the Register 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 19.04.2010 with respect to modification of charge was filed in time on 29.04.2010.
2. E-Form No. 66 along with Compliance Certificate, filed u/s 383A for the financial year ended on 31.03.2010, filed in time on 23.10.2010.
3. E-Form No. 23AC & 23ACA alongwith Balance Sheet and Profit & Loss Account for the year ended on 31.03.2010, filed u/s 220 in time on 23.10.2010.
4. E-Form No. 20B alongwith Annual Return under Schedule V, for the Annual General Meeting held on 25.09.2010 was filed in time on 18.11.2010.
5. E-Form No. 32 dated 29.01.2011, for appointment of Mr. Mahendra Kumar Jain, as Additional Director of the Company was filed in time on 16.02.2011.

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, 2011 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. These are, to the best of our knowledge and belief, no transaction entered into by the company during the 2010-2011 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 : 8th August, 2011

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 2010-2011.

Registered Office :

404, Shekhawati Complex,
Station Road, JAIPUR

Dated : 8th August, 2011

Sd/-

(HARISH CHAND JAIN)

CHAIRMAN & MANAGING DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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, 2011 and Profit & Loss Account 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, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts.
 - (d) In our opinion the Balance Sheet, Profit and Loss account 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, 2011 and taken on record by the board of directors, we report that none of the directors is disqualified as on 31st March, 2011 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

- (1) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2011.
- (2) In the case of the Profit & Loss Account 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 : 8th August, 2011

(ABHISHEK DALMIA)
Partner
(Membership No.403936)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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, 2011.

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. During the year the company has sold/disposed of factory land and building situated at Abu Raod.
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 three and amount involved was Rs.6423906/- 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 two and amount involved was Rs.1200000/- 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. As informed to us, the central Government has not prescribed maintenance of cost records by the small scale industry units under Section 209(1)(d) of the Companies Act, 1956, Hence the company has not maintained these records being a SSI unit.
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 and it incurred cash losses in the current year but not in the immediately preceding financial year.
11. Based in 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 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.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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 : 8th August, 2011

Sd/-
(ABHISHEK DALMIA)
Partner
(Membership No.403936)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	Sch.	Rupees	As at 31.03.2011 (Rs.)	As at 31.3.2010 (Rs.)
I. SOURCES OF FUNDS				
1. Shareholders' Funds				
A) Share Capital	1	4,49,98,500		4,49,98,500
B) Reserves & Surplus	2	5,78,68,168		5,57,33,732
			10,28,66,668	10,07,32,232
2. Loan Funds				
A) Secured Loans	3	12,71,53,084		12,55,93,537
B) Unsecured Loans	4	11,85,000		11,85,000
			12,83,38,084	12,67,78,537
3. Deferred Tax Liabilities (Net)				
			29,19,976	16,99,552
			23,41,24,728	22,92,10,321
II. APPLICATION OF FUNDS				
1. Fixed Assets				
A) Gross Block	5	8,72,73,919		9,58,16,523
B) Less: Depreciation		5,86,18,793		6,09,32,025
C) Net Block			2,86,55,126	3,48,84,498
D) Work-in-Progress				67,52,401
2. Investment				
	6		9,07,000	9,07,000
3. Current Assets, Loans & Advances				
A) Inventories	7	16,09,63,244		12,98,90,706
B) Sundry Debtors		13,46,20,262		13,43,18,456
C) Cash & Bank Balances		1,07,81,082		93,93,763
D) Loans & Advances		2,17,20,394		3,14,09,255
			32,80,84,982	30,50,12,180

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Less :

Current Liabilities & Provisions	8		
A) Current Liabilities	12,09,62,380		11,75,85,758
B) Provisions	25,60,000		7,60,000
	12,35,22,380		11,83,45,758
		20,45,62,602	18,66,66,422
		23,41,24,728	22,92,10,321

Accounting Policies & Notes to the Accounts 13

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,
8th August, 2011

(ABHISHEK DALMIA)
PARTNER
(Membership No.403936)

(SUNIL KUMAR JAIN)
DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

	Sch.	Rupees	As at 31.03.2011 (Rs.)	As at 31.3.2010 (Rs.)
I. INCOME				
Turnover	-	75,76,95,233		70,10,55,173
Other Income	-	8,41,594		9,16,700
			75,85,36,827	70,19,71,873
II. EXPENDITURE				
Cost of Materials consumed	9	71,90,92,126		65,69,46,522
Manufacturing Exp.	10	45,01,535		52,31,790
Employees Emoluments	11	34,68,189		33,34,070
Other Expenses	12	2,38,00,882		2,60,62,233
			75,08,62,732	69,15,74,615
Profit/(Loss) Before Depreciation			76,74,095	1,03,97,258
Less : Depreciation			28,38,753	29,91,401
Add: Profit on sale of Fixed Assets			93,91,840	-
NET PROFIT/(LOSS) BEFORE TAXATION			1,42,27,182	74,05,857
Less : Provision for taxation				
Current Tax			18,00,000	7,00,000
Deferred Tax (Net)			12,20,424	(2,61,301)
NET PROFIT/(LOSS) AFTER TAXATION			1,12,06,758	69,67,158
Balance Brought Forward from previous years			3,22,99,784	2,53,32,626
Profit Available for Appropriations			4,35,06,542	3,22,99,784
Less: Transferred to General Reserve over to Balance Sheet			50,00,000	-
Net Profit Carried over to Balance Sheet			3,85,06,542	3,22,99,784
Basic and Diluted Earnings per Shares(in Rs.)			2.49	1.55
Cash Earning per Share (in Rs.)			3.12	2.31

IN TERMS OF OUR REPORT OF
EVEN DATE ANNEXED.
For **PRAMOD & ASSOCIATES**
Chartered Accountants
(Registration No.001557C)
(ABHISHEK DALMIA)
PARTNER
(Membership No.403936)

JAIPUR,
8th August, 2011

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED
SCHEDULES 1 TO 13 : FORMING PART OF THE BALANCE SHEET
AND PROFIT & LOSS ACCOUNT**

	As at 31.03.2011 (Rs.)	As at 31.3.2010 (Rs.)
SCHEDULE-1 : SHARE CAPITAL		
Authorised :		
80,00,000 Equity Shares of Rs.10/- each	8,00,00,000	8,00,00,000
Issued, Subscribed & Paid up :		
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

SCHEDULE-2 : RESERVES & SURPLUS

General Reserve		
Opening balance	29,58,171	26,29,020
Add : transferred from revaluation Reserve	3,29,151	3,29,151
Add : transferred from Profit & Loss	50,00,000	-
Less : transferred to Revaluation Reserve	71,85,686	-
	11,01,636	29,58,171
Revaluation Reserve		
Opening Balance	22,15,787	25,44,938
Less : Transferred to General Reserve	3,29,151	3,29,151
Add : Transferred from General Reserve	71,85,686	-
Less : transferred to Fixed Assets	90,72,322	-
	22,15,787	-
Investment Allowance	17,47,490	17,47,490
Utilisation Reserve		

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Share Premium

Opening Balance	1,65,39,000	1,65,39,000
Less : Allotment Money	26,500	26,500
Due towards Premium Account	-----	-----
	1,65,12,500	1,65,12,500
 Profit & Loss A/c	 3,85,06,542	 3,22,99,784
	-----	-----
	5,78,68,168	5,57,33,732
	-----	-----

SCHEDULE-3 : SECURED LOANS

From Banks :		
On Cash Credit Account (See Note :1 below)	12,71,53,084	12,47,54,272
Vehicle Loan (See Note :2 below)	-	8,39,265
	-----	-----
	12,71,53,084	12,55,93,537
	-----	-----

SCHEDULE-4 : UNSECURED LOANS

From Companies	11,85,000	11,85,000
	-----	-----
	11,85,000	11,85,000
	-----	-----

NOTE :

1. 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 assets of Company and personal guarantees of Shri Harish Chand Jain, Managing Director of the company.
2. Vehicle (Car) Loan is Secured against hypothecation of Car & Trucks which is taken on Hire Purchase basis.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

SCHEDULE-5 : FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 31.3.2010 (Rs)	Addition (Rs)	Deduction (Rs)	As at 31.3.11 (Rs)	As at 31.3.10 (Rs)	For the period (Rs)	Deduction 31.3.2011 (Rs)	As at 31.3.2011 (Rs)	As at 31.3.2011 (Rs)	As at 31.3.2010 (Rs)
Leasehold Land	14406645	-	9653995	4752650	-	-	-	-	4752650	14406645
Buildings	21276324	9141210	7700009	22717525	12220326	606559	4298528	8528357	14189168	9055998
Plant & Machinery	48887809	517811	-	49405620	38971117	1829095	-	40800212	8605408	9916692
Furniture & Fixtures	323296	29000	-	352296	203304	21516	-	224820	127476	119992
Vehicles	10266976	-	876621	9390355	8991614	352976	853457	8491133	899222	1275362
Office Equipments	655473	-	-	655473	545664	28607	-	574271	81202	109809
TOTAL	95816523	9688021	18230625	87273919	60932025	2838753	5151985	58618793	28655126	34884498
Previous Year	87979718	7836805	-	95816523	57940624	2991401	-	60932025	34884498	30039094
Capital Work-in-Progress	6752401	-	6752401	-	-	-	-	-	-	-
Previous Year	1699376	-	-	-	-	-	-	-	-	-

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	Rupees	As at 31.3.2011 (Rs.)	As at 31.3.2010 (Rs.)
SCHEDULE-6 : INVESTMENTS (LONG TERM)			
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/-)		5,45,000	5,45,000
N.S.C.		3,62,000	3,62,000
		9,07,000	9,07,000

SCHEDULE-7 : CURRENT ASSETS, LOANS & ADVANCES

A) INVENTORIES			
(Taken as valued & certified by the Management)			
Stores	58,00,952		62,45,700
Loose Tools	1,86,319		1,86,319
Raw Materials	8,20,06,290		1,90,48,413
Stock in process	2,56,27,195		1,73,57,582
Finished Stock	4,73,42,488		8,70,52,692
		16,09,65,244	12,98,90,706
B) SUNDRY DEBTORS			
(Unsecured, considered)			
Debts outstanding for a period exceeding six months	4,29,82,049		4,03,43,055
Other Debts	9,16,38,213		9,39,75,401
		13,46,20,262	13,43,18,456

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	Rupees	Year ended 31.3.2011	Year ended 31.3.2010
C) CASH & BANK BALANCES			
Cash in hand	8,29,063		4,86,831
Balances with scheduled Commercial Banks			
In Current Accounts	65,910		99,714
In Fixed Deposits	97,90,567		86,79,000
Interest Accrued & Due thereon	95,542		1,28,218
		1,07,81,082	93,93,763
D) LOANS & ADVANCES			
(Unsecured, considered good)			
Advances recoverable in cash or in kind or for value to be received	2,08,07,739		3,02,20,066
Sundry Deposits	9,12,655		11,89,189
		2,17,20,394	3,14,09,255
		32,80,84,982	30,50,12,180

SCHEDULE-8 : CURRENT LIABILITIES & PROVISIONS

A) CURRENT LIABILITIES			
Sundry Creditors	11,08,77,476		10,83,44,870
Other Liabilities	1,00,84,904		92,40,888
		12,09,62,380	11,75,85,758
B) PROVISIONS			
Provision for Taxation	25,60,000		7,60,000
		25,60,000	7,60,000
		12,35,22,380	11,83,45,758

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	Rupees	Year ended 31.3.2011	Year ended 31.3.2010
SCHEDULE-9: COST OF MATERIALS CONSUMED, INCREASE/DECREASE IN STOCK			
A) Raw Materials consumed			
B) (Increase)/Decrease in		68,76,51,535	70,56,51,794

Stock:

Closing Stock

Finished Goods

Stock in process

4,73,42,488

2,56,27,195

7,29,69,683

8,70,52,692

1,73,57,582

10,44,10,274

Less:

Opening Stock

Finished Goods

Stock in process

8,70,52,692

1,73,57,582

10,44,10,274

4,35,88,704

1,21,16,298

5,57,05,002

3,14,40,591

(4,87,05,272)

71,90,92,126

65,69,46,522

SCHEDULE-10 : MANUFACTURING EXPENSES:

Stores, Loose Tools consumed

Power, Fuel & Water

Repairs to Plant & Machinery

26,35,631

18,64,579

1,325

45,01,535

20,70,117

25,06,215

6,55,458

52,31,790

SCHEDULE-11 : EMPLOYEES EMOLUMENTS :

Salaries, Wages & Bonus

Employees State Insurance Premium

Staff Welfare Expenses

Provident Fund

34,13,789

-

23,450

30,950

34,68,189

32,71,233

6,611

37,780

18,446

33,34,070

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

	Rupees	Year ended 31.3.2011	Year ended 31.3.2010
SCHEDULE-12 : OTHER EXPENSES			
Printing & Stationery		49,232	48,074
Postage, Telegram & Telephone		1,45,217	1,24,939
Rates & Taxes		44,130	59,421
Insurance		1,24,771	1,86,609
Traveling Expenses & Conveyance		49,939	1,79,485
Interest others		1,41,80,546	1,44,44,886
Professional Charges		2,34,700	1,87,700
Rent		-	32,000
Miscellaneous Expenses		9,67,413	9,01,445
Excise Duty on Closing Stock of Finished Goods(Net)		5,43,260	20,06,793
Bank Commission		28,57,494	27,95,952
Consignment Commission & Other Exp.		3,07,555	4,71,231
Remuneration to Auditor's		41,000	35,000
Vehicle Running & Maintenance		42,40,025	45,73,938
Board Meeting Expenses		15,600	14,760
		<u>2,38,00,882</u>	<u>2,60,62,233</u>

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

SCHEDULE-13 : ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

I. SIGNIFICANT ACCOUNTING POLICIES :

(1) CONVENTION

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

(2) 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 capitalises 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.

(3) 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 realisable 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.

(4) 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.

(5) EXCISE DUTY

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

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(6) INVESTMENT

Investment are valued at cost.

(7) 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.

(8) 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 realised in future.

(9) CONTINGENT LIABILITIES :

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

II. NOTES ON ACCOUNTS :

(1) Contingent liabilities not provided for :

	As at 31.3.2011 (Rs.)	As at 31.3.2010 (Rs.)
(i) Guarantee given by Bank against which the Directors have given counter guarantees.	18,81,854	18,81,854
(ii) Letter Credit Outstanding	9,20,00,050	8,48,00,000
(iii) Claims Lodged by the company	72,02,456	72,02,456

(2) Payment to Auditors.

	Current Year (Rs)	Previous Year (Rs)
(i) Audit fees	18,500	14,500
(ii) Tax Audit	7,000	5,000
(iii) Reimbursement of Expenses	15,500	15,500

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

(4) 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 the respect, Accounting Standard AS-15 issued by the Institute of Chartered Accountants of India is not considered Applicable. There is no pending

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

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.

- (5) 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.
- (6) 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.
- (7) The information regarding SSI units is under compilation and hence dues to such units can not be readily determined hence the same was not disclosed in balance sheet. Normally dues to all the creditors are paid in accordance with the agreed credit terms.
- (8) The Company operates solely in the Steel Tube/Pipes and Sheets segment hence no separate information for segment wise disclosure is required.
- (9) 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)
- (b) The Following Transactions were carried out with related parties in the Financial year 2010-2011.
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. 15600/- 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. 1200000/-
 7. Loans & Advance Granted and received back Rs. 6423906/-
- (c) The following balance were due from/to the related parties as on 31.03.2011
1. Investment in Equity share of M/s Tridev Finance Co. Ltd. Rs. 5,45,000/-.
- (10) Gross book value of Fixed Assets includes the net incremental effect on revaluation of Land, Building, Plant and Machinery located at B-61, Ambaji Industrial Area, Abu Road, which were revalued as per valuation made as on 1-04-94 by approved Valuer.

	Current year	Previous year
Land	-	81,53,840
Building	10,05,702	19,24,184
Plant & Machinery	56,55,271	56,55,271

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

During the year company sold its Abu Road Land hence revaluation reserve amounting to Rs. 8153840/- relating to land and revaluation reserve of Rs.918482 relating to buildings were reversed.

- (11) Depreciation includes Rs 3,29,151 against revalued amount of fixed assets and equivalent amount has been withdrawn from revaluation reserve and transferred to general reserve.
- (12) The managing director has been paid Rs 720000/- (previous year RS.600000/-) 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.
- (13) Tax deducted at source on interest income included in other income is Rs.72978/- (Previous year Rs.129655/-).
- (14) Inventory includes goods in transit and consignment stock pending sale.
- (15) Details of licensed capacity, installed capacity and actual production of Steel pipes and M.S.Sheet.

	Unit	Current Year	Previous Year
Licensed/Registered capacity	MT	50000.000	50000.000
Installed capacity	MT	45000.000	45000.000
Actual Production	MT	9024.140	8908.020

- (16) Details of stocks and turnover of Steel Pipes and M.S.Sheet:

		CURRENT YEAR		PREVIOUS YEAR	
		Unit	Qty (MT)	Value (Rs)	Qty (MT)
Opening Stock					
Steel Pipes & Sheet	MT	2011.290	85205388	1222.616	41546704
Repairable goods	MT	83.740	1847304	81.680	2042000
Slitted Material (in process)	MT	459.650	17357582	381.125	12116298
Turnover					
Steel Pipes & Sheet	MT	20287.470	757695233	18337.306	701055173
Closing Stock					
Steel pipes	MT	987.115	47220474	2011.290	85205388
Repairable goods	MT	55.395	1222014	83.740	1847304
Slitted Material	MT	612.490	25627195	459.650	17357582

NOTE:-

- (a) Production does not include outside purchase of 4772.319 MT pipe (previous year 5722 815 MT.)

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

(17) Details of raw materials consumed :-

	Unit	CURRENT YEAR		PREVIOUS YEAR	
		Qty (MT)	Value (Rs)	Qty (MT)	Value (Rs)
a) HR Coils, Pipes & Sockets	MT	13937.060	687651535	14142.486	703462259
b) Zinc	MT	-	-	17.000	2189536

(18) Deferred Tax Liabilities (Net)

	Deferred Tax Liability/Assets as at 31-03-2011	Deferred Tax Liability/Assets as on 31-03-2010
Deferred Tax Liabilities		
1) Depreciation	29,19,976.00	16,99,552.00
Deferred Tax Liability(Net)	29,19,976.00	16,99,552.00

Persuant to accounting standard (AS)22 Accounting for taxes on incomes, the Company has recorded a net cumulative deferred tax liability of Rs.5059337 upto 31-03-2003 as reduction in general reserve. Further the impact of Deferred Tax Liability of Rs.1220424 for the year ended 31.03.2011 has been credited to Profit and Loss Account.

- (19) All raw materials, stores and spares consumed are indigenous.
- (20) C.I.F.value of imports : Rs. Nil (Previous year Nil)
- (21) F.O.B. value of exports : Rs. Nil (Previous year Nil)
- (22) Corresponding figures of the previous year have been regrouped to confirm with this year's grouping wherever necessary.
- (23) Figures have been rounded off to the nearest rupee.
- (24) Additional information pursuant to Part IV of Schedule VI of the Companies Act, 1956.

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

**BALANCE SHEET ABSTRACT AND
COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details :

Registration No. State Code
Balance Sheet Date

II. Capital Raised During the year (Amount in Rs.Thousands)

Public Issue	Rights Issue
<input type="text" value="NIL"/>	<input type="text" value="NIL"/>
Bonus Issue	Private Placement
<input type="text" value="NIL"/>	<input type="text" value="NIL"/>

III. Position of Mobilisation and Deployment of Funds(Amount in Rs.Thousand)

Total Liabilities	Total Assets
<input type="text" value="234125"/>	<input type="text" value="234125"/>

SOURCES OF FUNDS

Paid-up-Capital	Reserves & Surplus
<input type="text" value="44999"/>	<input type="text" value="57868"/>
Secured Loans	Unsecured Loans
<input type="text" value="127153"/>	<input type="text" value="1185"/>

DEFERRED TAX LIABILITIES

APPLICATION OF FUNDS

Net Fixed Assets	Investments
<input type="text" value="28655"/>	<input type="text" value="907"/>
Net Current Assets	Misc. Expenditure
<input type="text" value="204563"/>	<input type="text" value="NIL"/>

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

Accumulated Losses

NIL

IV. Performance of the Company (Amount in Rs. Thousand) :

Turnover (Gross Revenue)

758537

Total Expenditure

750863

Profit/(Loss) Before Tax

+ -

+ 1

14227

Profit/(Loss) after Tax

+ -

+ 1

11207

42

Earning per Share in Rs.(Annualised)

2.49

Dividend Rate %

NIL

**V. Generic Name of Three Principal Products/Services of Company:
(As per Monetary Terms) :**

Item Code No.(ITC Code)
Product Description

730410.01

STEEL TUBES AND PIPES

Item Code No.(ITC Code)
Product Description

Item Code No.(ITC Code)
Product Description

SIGNED SCHEDULES 1 TO 13.

IN TERMS OF OUR REPORT OF
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,

Dated : 8th August, 2011

(ABHISHEK DALMIA)
PARTNER
(Membership No. 403936)

(SUNIL KUMAR JAIN)
DIRECTOR

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011

	Year Ended 31-3-2011 (Rs."000)	Year Ended 31.3.2010 (Rs."000)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extra-ordinary Items	14227	7406
Adjustment for:		
Depreciation	2839	2991
Profit/(Loss) on Sale of Fixed Assets	(9392)	-
Investment Income(Interest on Deposits etc.)	(842)	(917)
Interest	14181	14445
Operating Profit before working Capital Changes	21013	23925
Adjustment for:		
Trade and other Receivables	(302)	(35485)
Inventories	(31073)	(50003)
Trade Payables	5177	71551
Cash Generated from Operations	(5185)	9988
Interest Paid	(14181)	(14445)
Direct Taxes Paid	(1800)	(700)
Cash Flow before Extra-Ordinary Items	(21166)	(5157)
Extra-Ordinary Items - Revaluation Reserve	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>(21166)</u>	<u>(5157)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
(Purchase)/Sales of Fixed Assets	10142	(12890)
Purchase of Investments	-	-
Loss on Sale of Fixed Assets	9392	-
Interest / Dividends Received	842	917
(Increase)/Decrease in Loans and Advances	9689	9101
Increase in Interest Accrued on Investment	-	-
Decrease in Revaluation Reserve	(9072)	-
NET CASH USED IN INVESTING ACTIVITIES	<u>20993</u>	<u>(2872)</u>

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

C. CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from issue of Share Capital	-	-
Proceeds from Long Term Borrowings	1560	10103
	1560	10103
NET CASH FROM FINANCING ACTIVITIES	1560	10103
Net Increase/Decrease in Cash and Cash Equivalents	1387	2074
Cash and Cash Equivalents as at (Opening Balance)	9394	7320
Cash and Cash Equivalents as at (Closing Balance)	10781	9394

Note: Figures in Brackets Represent Outflows.

IN TERMS OF OUR REPORT OF
EVEN DATE ANNEXED.

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

JAIPUR,

Dated : 8th August, 2010

(ABHISHEK DALMIA).
PARTNER
(Membership No. 403936)

FOR AND ON BEHALF OF THE BOARD

(HARISH CHAND JAIN)
CHAIRMAN & MANAGING DIRECTOR

(SUNIL KUMAR JAIN)
DIRECTOR