



CUBEX TUBINGS LIMITED



**32ND Annual Report
2010-2011**



BOARD OF DIRECTORS

MR. P.R.BHANDARI	:	MANAGING DIRECTOR
MR. U.M.BHANDAR	:	EXECUTIVE DIRECTOR
MR. MUKUN CHAND DEVADA	:	DIRECTOR
MR. BALAKRISHNA KARANDE	:	DIRECTOR
MR. MOHAMMED RAJAB SYED ALI	:	DIRECTOR
DR. K VENKAT RAMANI	:	DIRECTOR

BANKERS / INSTITUTIONS

INDUSIND BANK LIMITED
CITI BANK N.A.
AXIS BANK LIMITED

AUDITORS

M/S. P.MURALI & CO.,
CHARTERED ACCOUNTANTS
6-3-655/2/3, SOMAJIGUDA,
HYDERABAD - 500 082.

SOLICITORS

MR. M.V.S. PRASAD

REGISTERED OFFICE

1-7-27 to 34, SHYAM TOWERS,
S.D.ROAD,
SECUNDERABAD - 500 003.
ANDHRA PRADESH, INDIA

Tel. No. 0091-40-27817440,27817436

Fax No. 0091-40-27812569

Email: cubex@rediffmail.com

www.cubextubings.com

WORKS

- | | |
|--|--|
| I) NEAR 5TH PHASE, S.NO.464, 482
IDA,PATANCHERU
MEDAK DISTRICT, A.P. | II) A-12-A, INDUSTRIAL ESTATE,
METTUPALAYAM
PONDICHERRY - 605 009. |
|--|--|

SHARE TRANSFER AGENTS

M/S. AARTHI CONSULTANTS PVT. LTD.,
1-2-285, DOMALGUDA,
HYDERABAD - 500 029
TEL. NO.: 0091-40-2763 8111, 2763 4445
FAX :0091-40-2763 2184

Website: www.aarthiconsultants.com

Email: info@arthiconsultants.com

LISTING AT

BOMBAY STOCK EXCHANGE LIMITED, MUMBAI
THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED, MUMBAI

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of the Company will be held on Friday, the 30th September, 2011 at 10.00 A.M at Hotel Raj Comfort Inn, Near Praradise, Opposite HDFC Bank, Secunderabad-500 003 to consider the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Mukun chand devada who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mohammed Rajab Syed Ali who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the Statutory Auditors of the Company and fix their remuneration.

BY ORDER OF THE BOARD OF DIR
For **CUBEX TUBINGS LIMITED**

SD/-

P.R.BHANDARI
MANAGING DIRECTOR

PLACE: HYDERABAD
DATE: 30.08.2011

SPECIAL BUSINESS:

5. **To Consider, and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution**

Re-appointment of Sri. P R Bhandari, as Managing Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time, approval of the members be and is hereby accorded to re-appoint Sri. P R Bhandari as Managing Director of the Company for a further period of 5 years w.e.f. 1st April 2011 with the existing terms and conditions.

RESOLVED FURTHER THAT all other benefits, amenities and perquisites shall be allowed and paid to him as minimum remuneration during the tenure of his office, notwithstanding the absence or inadequacy of profits for any financial year, but shall not, in any financial year, exceed the ceiling laid down in this behalf in schedule XIII of the Companies Act, 1956 including amendments made thereto from time to time.

RESOLVED FURTHER THAT the Remuneration committee be and is hereby authorized to review and also to determine performance linked incentives including commission, either on quarterly, half yearly basis, considering the maximum remuneration payable under provision of section 198 and schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

6. **To Consider, and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution**

Re-appointment of Sri. U M Bhandari, as Executive Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and

other applicable provisions, if any, of the Companies Act, 1956 as amended from time to time, approval of the members be and is hereby accorded to re-appoint Sri. U M Bhandari as Executive Director of the Company for a further period of 1 year w.e.f. 1st April 2011 with the existing terms and conditions.

RESOLVED FURTHER THAT all other benefits, amenities and perquisites shall be allowed and paid to him as minimum remuneration during the tenure of his office, notwithstanding the absence or inadequacy of profits for any financial year, but shall not, in any financial year, exceed the ceiling laid down in this behalf in schedule XIII of the Companies Act, 1956 including amendments made thereto from time to time.

RESOLVED FURTHER THAT the Remuneration committee be and is hereby authorized to review and also to determine performance linked incentives including commission, either on quarterly, half yearly basis, considering the maximum remuneration payable under provision of section 198 and schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT any one of the Directors be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

7. To consider and, if thought fit, to pass with or without modifications the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 94 (1) (a) of the Companies Act, 1956, and other applicable provisions, if any, the Authorized Share Capital of the Company be and is hereby increased from Rs. 10,00,00,000/- (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- each, to Rs 25,00,00,000/- (Rupees Twenty Five Crores) divided into 2,50,00,000 (Two Crore Fifty Lakh) Equity Shares of Rs.10/- each, by creation of additional 1,50,00,000 (One Crore Fifty Lakh) Equity shares of Rs.10/- each, ranking pari passu with the existing Equity Shares.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company as to the share capital be and is hereby substituted with the following Clause V”.

- i. ‘The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,50,00,000 (Two Crore Fifty lakh) Equity Shares of Rs.10/- (Rupees Ten) each’.
- ii. ‘The Share capital of the Company with such rights, privileges and conditions for the time being, with power to increase, modify, reduce or repay the capital or any portion thereof at any time and from time to time in accordance with the regulations of the Company and the legislative provisions for the time being in that behalf. The shares in the company for the time being whether original or increased may be divided, consolidated and sub-divided into several classes by the issue of any class or new issue of any value with such preferential, qualified or special rights, privileges or conditions as may determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may from time to time provided by the Articles of Association of the Company’.

8. To consider and if thought fit with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956, and other applicable provisions, if any, the existing Article 3 (a) of the Articles of Association of the Company as to the share capital be and is hereby substituted with the following Article 3 (a)”.

3(a) ‘The Authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association’.

9. To consider and if thought fit with or without modification, the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act 1956 (including statutory modification(s), amendments or re-enactments thereof for the

time being in force) and in accordance with the enabling provisions in the Memorandum and Articles of Association of the company and the Listing Agreement entered into between the Company with the Stock Exchanges, the sublisting guidelines and clarifications issued by the Government of India / Reserve Bank of India (RBI)/ Securities and Exchange Board of India (SEBI) or any other relevant authority and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of directors of the company, consent of the members be and is hereby accorded to the Board of Directors of the company and / or a duly authorized committee thereof for the time being exercising the powers conferred by the Board of Directors (hereinafter referred to as "the Board") in its absolute discretion, to offer / issue, allot and deliver in one or more tranches, on private placement and / or preferential basis not exceeding 1,25,91,600 (One Crore Twenty Five Lakh Ninety one Thousand and Six Hundred only) warrants, convertible, within an aggregate time period of 18 months from date of allotment of the warrants, at the option of the warrant holders, into not more than 1,25,91,600 (One Crore Twenty Five Lakh Ninety one Thousand and Six Hundred only) Equity Shares of Rs.10/- each, fully paid-up for cash, which shall rank pari-passu with the existing equity shares of the Company, in such form and in such manner and upon such terms and conditions as the Board may in its absolute discretion deem fit, at price of Rs. 15/- (Rupees Fifteen) per warrant, to the persons mentioned in the Explanatory Statement attached to the notice convening this meeting.

RESOLVED FURTHER THAT the relevant date for calculating the price for issue and allotment of the above warrants is 31st August, 2011.

RESOLVED FURTHER THAT the issue of warrants mentioned above shall be subject to the following conditions:

- a. The warrants and the equity shares to be offered and allotted upon conversion shall be subject to the provisions of the Memorandum and Articles of Association of the company.
- b. Each warrant is convertible into one equity share of Rs. 10/- each fully paid-up. At any time, on full payment of the price fixed for warrants, within 18 months from the date of allotment of such warrant, on conversion or exchange of the warrant subject to SEBI (ICDR) Regulations.
- c. An amount equal to 25% or more of the price fixed in relation to each of the warrant shall be paid upfront by the person to whom the allotment is being made, at the time of allotment of the warrant and the same shall be adjusted against the price payable for the subsequent allotment of equity shares against the warrants. Further, in the event the option of conversion of warrant into equity share is not exercised by the warrant holder, in terms of this resolution the upfront payment shall stand forfeited.
- d. Equity shares issued and allotted by the Company on conversion or exchange of warrants shall rank pari-passu in all respects with the existing fully paid-up Equity Shares of the Company.
- e. Allotment of warrants shall be completed within 15 days from the date of passing this resolution by the members of the Company, except where allotment is held up due to pendency of any approval/consent/permission/sanction of any authority. Allotment shall be completed within 15 days from the date of such approval/consent /permission/sanction.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve the other terms and conditions of the issue and also to vary, modify or alter any of the terms and conditions, as it may deem expedient, subject however to the compliance with applicable guidelines, notifications, rules and regulations, to the extent applicable as SEBI/ RBI/GOI or such other appropriate authorities, within or outside India, may prescribe from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue or allotment of the

aforesaid Securities and listing thereof with the Stock Exchanges and application to the Depositories for admission of the new equity shares as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of any of the said Securities, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise and that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT Board be and is hereby authorized at its discretion, to further delegate by way of authorization in favour of any of the members of the Board or a committee thereof, to do all necessary acts and take necessary steps that may be deemed expedient to give effect to this resolution.”

“**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, then Board / committee be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue, allotment and utilization of the proceeds.

BY ORDER OF THE BOARD OF DIRECTORS
For **CUBEX TUBINGS LIMITED**

PLACE: HYDERABAD
DATE: 30.08.2011

P.R.BHANDARI
MANAGING DIRECTOR

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THEREAT INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. An instrument appointing proxy to be effective must be lodged at the Registered Office of the Company at least 48 hours before the meeting.
3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is herewith annexed.
4. The Register of Members / Register of Beneficiaries and Share Transfer Books of the Company will remain closed from **28th September 2011 to 30th September 2011** (both days inclusive).
5. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
6. Members holding shares in physical form are requested to notify / send any change in their address to the Company's Share Transfer Agents, or to the Company at its registered office.
7. Members holding shares in dematerialization form are requested to notify/send any change in their address to the concerned depository participant (s).
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the company. Therefore, the shareholders willing to avail this facility may make nomination in form 2B.

10. Shareholders / proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of Annual Reports to the Annual General Meeting.
11. A certificate from the Statutory Auditors of the Company, certifying that the pricing and issue of the above mentioned warrants to promoters/promoters group is in accordance with the prescribed guidelines on preferential issues, is also made available for inspection at the Registered Office of the Company during business hours on all working days during two weeks before the date of and during this Annual General Meeting.

Brief Details of Directors seeking reappointment at this Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr. Mohammed Rajab Syed Ali
Date of Appointment	30.12.2005
Date of Birth/Age	66 years
Expertise in Specific functional areas	Administrative services
List of Companies in which Directorships held as on 31.03.2011	NIL
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2011	NIL
Name of the Director	Mr. Mukun Chand Devada
Date of Appointment	01-12-2000
Date of Birth /Age	54 years
Expertise in Specific functional areas	Vast experience in concerned business
List of Companies in which Directorships held as on 31.03.2011	NIL
Chairman/Member of the Committees of other Companies in which he is a Director as on 31.03.2011	Nil

Explanatory Statement

[Pursuant to Section 173(2) of the Companies Act, 1956]

Item No. 5:**Re-appointment of Sri. P R Bhandari, as Managing Director of the Company**

The term of appointment of Sri. P R Bhandari as Managing Director of the Company expired on 1st April 2011 and therefore, the Board of Directors in its meeting held on 25th March 2011, reappointed Sri P R Bhandari as Managing Director for a period of five years with effect from 01-04-2011 as per the terms and conditions and remuneration mentioned in the notice at resolution no.5

As per the provisions of Schedule XIII of the Companies Act, 1956, re appointment of Sri. P R Bhandari as Managing Director, requires the approval of the members in the General meeting. Hence, the above resolution at item no.5 is submitted to the meeting for ratification by the members of the Company.

The Board of Directors re-commends the above resolution at item no.5 for the members' approval in the Annual General Meeting

None of the Directors of the Company except Sri. P R Bhandari and Sri. U M Bhandari (being the relative of proposed appointee) to the extent of the appointment as Managing Director is concerned or interested in this resolution.

Item No. 6:**Re-appointment of Sri. U M Bhandari, as Executive Director of the Company**

The term of appointment of Sri. U M Bhandari as Executive Director of the Company expired on 1st April 2011 and therefore, the Board of Directors in its meeting held on 25th March 2011, reappointed Sri U M Bhandari as Executive Director for a period of one year with effect from 01-04-2011 as per the terms and conditions and remuneration mentioned in the notice at resolution no.6

As per the provisions of Schedule XIII of the Companies Act, 1956, re appointment of Sri. U M Bhandari as Executive Director, requires the approval of the members in the General meeting. Hence, the above resolution at item no.6 is submitted to the meeting for ratification by the members of the Company.

The Board of Directors re-commends the above resolution at item no.6 for the members' approval in the Annual General Meeting

None of the Directors of the Company except Sri. U M Bhandari and Sri. P R Bhandari (being the relative of proposed appointee) to the extent of the appointment as Managing Director is concerned or interested in this resolution.

Item No. 7 & 8:

The present Authorised Share Capital of the Company is Rs.10.00 Crores (Rupees Ten Crores) comprising of 1,00,00,000 Equity shares of Rs.10/- each. It is proposed to increase the Authorised Capital to Rs.25.00 Crores (Rupees Twenty Five Crores) comprising of 2,50,00,000 Equity Shares of Rs.10/- each by creation of additional 1,50,00,000 Equity Shares of Rs.10/- each by amending Clause V of the Memorandum of Association

The increase in the Authorised Share Capital will enable the Company to issue further shares in terms of the recommendations of the Board placed at Item no. 9 before this meeting. Existing Article 3(a) is proposed to be amended by way of substitution of existing Article 3(a) with new Article 3(a) in its place as given in the resolution at Item No. 8. This amendment in Article 3(a) is required to give effect to the increase in the Authorised Share Capital of the Company due to the amendment of Clause V of the Memorandum of Association.

None of the Directors is interested or concerned in these resolutions.

Item No. 9:

Board of Directors of the Company at its Meeting held on 30th August 2011 resolved to offer, issue, allot and deliver not more than 1,25,91,600 (One Crore Twenty Five Lakh Ninety one Thousand and Six Hundred only) Convertible Warrants on preferential basis in one or more tranches, convertible into not more than 1,25,91,600 (One Crore Twenty Five Lakh Ninety one Thousand and Six Hundred only) Equity Shares (one equity share for one warrant) of the Company of face value of Rs. 10/- each, fully paid up, for cash, (“the warrants”) to the persons listed below. The warrant will carry an option to the holder of each warrant to apply for and be allotted one equity share of face value Rs.10/- each in the capital of the Company at an aggregate price being not less than the price with respect to the Relevant Date that is 31st August 2011 as prescribed under SEBI (ICDR) Regulations.

Since the Warrants are proposed to be issued on private placement basis and not on rights basis to all the existing shareholders of the Company, consent of the shareholders by a special resolution is necessary in terms of Section 81(1A) of the Companies Act, 1956. Moreover the Company’s shares are listed on the Stock Exchanges, the provision of the SEBI ICDR Regulations in so far as they relate to Preferential Issues are also applicable to this issue.

Disclosure in terms of Regulation 73 of SEBI (ICDR) Regulations on preferential issues is as under:**1. Object of the issue through Preferential allotment :**

The purpose of the issue of the convertible warrants is to support the company to raise the funds to meet ever increasing working capital requirements of the company as part of scaling up operations and other general corporate purposes.

2. Pricing of the issue of Warrants and Relevant date:

Each equity share of the face value of Rs.10/- including the equity shares arising out of the exercise of option attached with warrants shall be issued at a price of 15/- per equity share (including a premium of Rs.5/- per equity share). Such price is not less than the price computed with reference to the relevant date that is 31st August 2011 as prescribed under SEBI ICDR Regulations.

The ‘relevant date’ mentioned in the Resolution is the date which is 30 days prior to the date of this General Meeting. In terms of the said Regulations the price at which the warrants being issued on preferential basis can be converted shall be not less than the higher of the following:

- (i) The average of weekly high and low of the closing prices of the related shares quoted on the Stock Exchange during the six months preceding the relevant date; or
- (ii) The average of weekly high and low of the closing prices of the related shares on the Stock Exchange during the two weeks preceding the relevant date.

‘Stock Exchange’ for the purpose of this clause means the ‘National Stock Exchange’ i.e. the recognized stock exchange in which the shares are listed and in which highest trading volume in respect of the shares of the Company has been recorded during the six months preceding the relevant date.

A Certificate has been obtained from the Auditors of the Company confirming the minimum price for the preferential issue as per SEBI (ICDR) Regulations and showing the calculation thereof and the same is also available for inspection at the registered office of the company apart from placing before the AGM.

3. The proposal of the promoters or their associates and relatives, directors/key managerial persons to subscribe to the offer.

The proposed allottees for preferential issue of 1,25,91,600 convertible share warrants includes the person(s) belongs to the promoters group.

4. The terms of Convertible Warrants :

The Board may allot warrants at a price not being less than Rs. 15/- per warrant which will entitle the holder to subscribe to one equity share of the face value of Rs.10/- against each warrant. An amount, as may be decided by the Board of Directors, not being less than 25% of the issue price shall be payable on the date of allotment of the warrants. The warrants would be allotted on the following terms:

- a) The allotment of warrants will be completed within 15 days from the date of this General Meeting or within 15 days of the receipt of the last of the applicable regulatory approval, if any, whichever is later.
- b) The holder of warrants will have an option to apply for and be allotted 1 (one) equity share of the Company per warrant, any time after the date of allotment but on or before the expiry of 18 months from the date of allotment in one or more tranches. In this connection, either the Company or the warrant holder will give an advance notice of at least ten days, calling upon the other party to exercise/avail the aforesaid option specifying the number of warrants. The warrant holder will be liable to make the payment of balance sum per warrant for such number of warrants with 10 days of the service of the notice.
- c) Upon receipt of the payment as above, the Board shall allot one equity share per warrant by appropriating Rs.10/- towards equity share capital and the balance amount paid against each warrant, towards the securities premium.
- d) The equity shares and warrants allotted to the proposed allottees shall be subject to 'lock-in' requirements as per the provisions of SEBI (ICDR) Regulations.
- e) If the entitlement against the warrants to apply for the equity share is not exercised within the period specified in the notice referred hereinabove, the entitlement of the warrant holder to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.
- f) The Equity shares issued on conversion of warrants shall rank pari-passu with the existing equity shares of the company in all respects and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if any, for which the book closure or the record date falls subsequent to the allotment of equity shares.
- g) The warrant by itself does not give to the holder thereof any rights of the shareholders of the Company.
- h) In the event, the equity share of the company are either sub-divided or consolidated before the conversion of the warrants into equity shares of the company, then the face value, the number of equity shares to be acquired on conversion of the warrants and the warrant issue price shall automatically stand adjusted in the same proportion, as the present value of the equity shares of the company bears, to the newly sub-divided/consolidated equity shares without affecting any right or obligation of the said warrant holders.
- i) In the event the company's equity capital is affected or changed due to any other corporate actions such as merger, demerger, consolidation of business, or other reorganization of the company, tender offer for equity shares of sale of undertaking, necessary adjustments with respect to the terms of the aforesaid warrants shall be made by the company and such other action as may be deemed necessary or appropriate by the Board shall be taken to reflect such corporate actions, including but without limitation, suitable adjustments of the warrant issue price, subject to necessary approvals.

5. Identity of proposed allottees, percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

The proposed allottees have expressed their intention to subscribe to the warrants and has agreed to comply with the relevant provisions of the SEBI ICDR Regulations and, if required to do so, the provision of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 ('Takeover Code'). There will

neither be any change in the composition of the Board nor any change in the control of the company on account of the proposed preferential allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to conversion of warrants into equity shares. The Shareholding of the proposed allottees, upon conversion of the warrants in full would be hereunder in the table below.

Name of the proposed Allottee	Category	Existing Shareholding	% of Existing share capital	No. of securities proposed to be allotted	Post issue shareholding	% of Post issue share capital
Mavv Trading Private Limited	Promoter	Nil	Nil	27,50,000	27,50,000	13.75
Nadol Trading Private Limited	Promoter	Nil	Nil	27,50,000	27,50,000	13.75
Care Academy of Research & Education Private Limited	Non-Promoter	Nil	Nil	19,00,000	19,00,000	9.50
Panchthirth Impex Private Limited	Non-promoter	Nil	Nil	20,41,600	20,41,600	10.43
Swarnim Avenues Private Limited	Non-promoter	Nil	Nil	20,00,000	20,00,000	10.00
Enspire Institute of Professional Studies Private Limited	Non-promoter	Nil	Nil	11,50,000	11,50,000	5.75
TOTAL		Nil	Nil	12591600	12591600	63.18

6. Shareholding pattern

Shareholding pattern of the Company before and after conversion of proposed issue of warrants into equity shares pursuant to the Resolution given in the notice

CATEGORY	PRE- ISSUE		POST-ISSUE	
	No. of Shares	% of share holding	No. of Shares	% of share holding
1. Promoters Holding				
A. Indian Promoters	2450505	33.08	7950505	39.75
B. Foreign Promoters	120000	1.62	120000	0.60
SUB TOTAL(A+B)	2570505	34.70	2570505	40.35
2. Non Promoters Holding				
A. Institutional Investors				
a. Mutual Funds	45600	0.61	45600	0.23
b. Indian FI's / Banks	800	0.01	800	0.01
c. FIs	0	0	0	0
d. Indian Bodies Corporate	478328	6.46	7569928	37.85
B. Others				
a. NRIs / OCB's	102791	1.39	102791	0.51
b. Indian Public	4206976	56.79	4206976	21.03
c. any other (clearing members)	3400	0.04	3400	0.02
SUB TOTAL (A+B)	4837895	65.30	17429495	59.65
GRAND TOTAL	7408400	100	20000000	100

Note: The above Shareholding Pattern (Pre & Post Issue) is prepared with an assumption that all the warrants issued and proposed to be issued are converted into equity shares. The above table is based on Shareholding pattern as on 30th June 2011.

7. Proposed Time Limit within which the allotment shall be completed :

The Allotment of warrants shall be completed within 15 days from the date of passing of the resolution by the shareholders at the AGM provided that where the allotment is pending on account of pendency of any approval from any regulatory authority or the central government, the allotment shall be completed by the company within 15 days of the receipt of the last of the applicable regulatory approval.

8. Undertaking of the issuer:

The Company undertakes to re-compute price of Warrants in terms of provisions of SEBI (ICDR) Regulations if required to do so, to comply with the provisions and that if the amount payable on re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations equity shares shall continue to be further locked in till the time amount is paid by the allottee.

9. Auditor's Certificate: The Certificate from the Statutory Auditors namely M/s. P Murali & Co, Chartered Accountants, confirming that the proposed issue of convertible warrants are in accordance with the SEBI (ICDR) Regulations is available for inspection upto the date of this General Meeting at the registered office of the company on any working day and also at the place of the meeting on the meeting day.

10. Compliance: The Company has complied with the requirements of listing agreement including clause 40A i.e maintaining a minimum of 25% of the paid up capital in the hands of public and will comply the same at the time of conversion of warrants into equity shares.

The provisions of the Companies Act, 1956 require the Company to seek the approval of the Members through special resolution for issue of shares or convertible securities on preferential basis.

The Board of Directors accordingly recommends the passing of this resolution as a Special Resolution as set out at the accompanying Notice.

None of the Directors of your Company is interested, either directly or indirectly, in the proposed resolution except Mr. P R Bhandari & Mr. U M Bhandari, Directors of the Company, to the extent of subscription by the promoter group to the proposed preferential issue.

BY ORDER OF THE BOARD OF DIRECTORS
For CUBEX TUBINGS LIMITED

PLACE: HYDERABAD
DATE : 30-08-2011

SD/-
P.R. BHANDARI
MANAGINGDIRECTOR

DIRECTORS' REPORT

To
The members of
M/s. CUBEX TUBINGS LIMITED

The directors have pleasure in presenting the 32nd Annual Report of the Company together with the audited accounts for the year ended 31st March 2011.

FINANCIAL RESULTS

(in Lakhs)

	Year ended 31.03.2011	Year ended 31.03.2010
Income from operations	5510.00	6440.64
Other Income	147.54	120.38
Total Expenditure	5389.49	6215.40
Interest & Finance Charges	15.91	8.34
Depreciation	134.00	121.23
Provision for Tax	24.94	29.50
Net Profit	93.19	186.55

THE COMPANY'S PRODUCTS / SERVICES

CUBEX is manufacturer of seamless solid drawn Tubes, Rods, Bus bars and Wires of copper and copper based alloys such as Cupronickel, admiralty Brass, Aluminum Brass etc. The Copper and Copper Alloy products have shown impressive growth in the last decade. Copper because of its high electrical conductivity and heat transfer characteristics finds wide application in the form of Tubes, Rods, Strips and Wires. The user industries are Power plants, Power plants manufacturers, Switchgears, Refineries, Furnace manufacturers, Sugar plants, Automobile and Electrical Equipment industries.

OPERATIONS

Your company has registered a total income of Rs. 5657.54 lakhs for 2010-11 as compared to Rs. 6561.02 for 2009-10 and the company posted a net profit of Rs. 93.19 lakhs for 2010-11 as compared to Rs.186.55 lakhs for 2009-10. The fall in profitability **was mainly on account of decrease in cost of raw material and recession in the manufacturing sector.**

DIVIDEND

The Directors regret their inability to recommend dividend for the year under review due to non-availability of profit.

PUBLIC DEPOSITS

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under, during the financial year under review.

FORFEITURE OF AMOUNT RECEIVED AGAINST SHARE WARRANTS

The Company had allotted 7,00,000 share warrants in the Board Meeting held on 8th January 2010. These shares are convertible into equal numbers of equity shares at the option of the holder within 18 months from the date of the allotment. As per the SEBI (ICDR) guidelines, the Company had received upfront money as an advance from the allottees. Since the holders of the warrants did not exercise option to convert the share warrants into equity shares, the entire application money has been forfeited and transferred to Capital reserve and the same will be reflected in the financial statements for the year ended on 31st March 2012.

CORPORATE GOVERNANCE

Your Directors are happy to report that your Company is compliant with the Corporate Governance requirements as per Clause 49 of the Listing Agreement with the Stock Exchanges. A separate section on Corporate Governance together with a certificate from the Statutory Auditor's confirming compliance is set out in the Annexure forming part of this report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Pursuant to Clause 49 of the Listing Agreement, a Management Analysis Report is given below:

A. INDUSTRY BACKGROUND

The Copper and Copper alloy products have shown impressive growth in the last decade.

Copper because of its high electrical conductivity and heat transfer characteristics finds wide application in the form of rods, tubes, strips, flats and wires. The user industries are generally Power Generation, Switchgear, Motors, Refrigeration, Heat Exchanger, Automobile and Electrical equipment industries.

B. INDUSTRY OUTLOOK

1. Since there is lot of emphasis of power generation the consumption of Copper Alloy Tubes, Rods and Semis would increase.
2. The manufacturing capacity of condenser/refrigeration tubes are in short supply compare to its requirements in India.
3. There is huge export potential for copper alloy extrusions.

C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate internal control systems and procedures in all operational areas and at all levels – equipments procurement, finance, and administration, marketing and personnel departments. The Company also has internal Audit system commensurate with its size and nature of business. The internal audit function will be done by a firm of Chartered Accountants. The Audit Committee reviews the internal audit reports and the adequacy of internal controls from time to time.

D. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The company is able to retain the experienced staff, in spite of the copper consuming Industries are under recession, the Company feels confident of keeping its manpower costs to below industry norms. The atmosphere that is created in the organization is conducive for self-development and career growth; this is the success in retaining our manpower.

ADDITIONAL INFORMATION AS REQUIRED U/ S 217(1) (e) OF THE COMPANIES ACT, 1956

(a) Conservation of Energy:

The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.

(b) (i) Technology Absorption, adaptation and innovation:- No technology either indigenous or Foreign is involved.

(ii) Research and Development (R & D): No research and Development has been carried out.

(c) Foreign exchange earnings: Rs. 0.30 lakhs

(d) Foreign exchange out go: Rs. 1005.70 lakhs

PARTICULARS OF EMPLOYEES

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Directors are to report that no employee was in receipt of remuneration of Rs.24,00,000/- or more per annum or Rs.2,00,000/- or more per month where employed for a part of the year.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 217 (2AA) of the Companies Act, 1956, your Directors hereby confirm that -

- i) That in the preparation of the Annual Accounts, for the year ended 31st March, 2011, the applicable accounting standards have been followed and there are no material departures;
- ii) We have selected appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the profit/loss of the company for the financial year ended 31st March, 2011;
- iii) We 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; and
- iv) We have prepared the annual accounts for the financial year ended 31st March, 2011 on a going concern basis.

DIRECTORS

Mr. Mohammed Rajab Syed Ali and Mr. Mukun Chand Devada retire by rotation at the ensuing annual general meeting and being eligible offer themselves for re-appointment..

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee constituted by the Company is in compliance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. Other details regarding scope and meetings etc, are provided in the report on Corporate Governance attached to and forming part of this Report.

STATUTORY AUDITORS

M/s. P. Murali & Co., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

M/s. P.Murali & Co., Chartered Accountants have furnished a certificate of their eligibility u/s 224(1B) of the Companies Act, 1956. The Board recommended to the members to reappoint the auditors and authorize the Board of Directors of the Company to fix their remuneration.

PERSONNEL

The relationship between the management and the staff was very cordial throughout the year under review. Your Directors take this opportunity to record their appreciation for the cooperation and loyal services rendered by the employees.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the continuous assistance and co-operation extended to your Company by the valued customers, bankers, Reserve Bank India, SEBI, Bombay Stock Exchange Limited & National Stock Exchange of India Limited and all other regulatory Authorities. The Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company.

For and on behalf of the board
For **CUBEX TUBINGS LIMITED**

PLACE: Hyderabad.
DATE: 30.08.2011

SD/- P.R.BHANDARI Managing director	SD/- U.M.BHANDARI Executive director
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**REPORT ON CORPORATE GOVERNANCE
(Pursuant to Clause 49 of the Listing Agreement)**

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your Company has been committed to the highest standard of Corporate Governance practices in the entire gamut of its business philosophy. The guiding forces of Corporate Governance at Cubex are its core values – Quality operations, Customer satisfaction, Shareholders' value, Belief in people. The Company believes that a strong Corporate Governance policy is indispensable to healthy growth of business and resilient and vibrant capital markets, besides being an important instrument of investor protection. In this direction, Cubex endeavors in true spirit, to adopt the best global practices in Corporate Governance.

2. BOARD OF DIRECTORS

- a) The Board of Directors of the Company comprises of 6 (six) Directors – 2 (two) Executive Directors including Managing Director, and 4 (four) are Non-Executive & Independent Directors.
- b) The composition of the Board is in conformity with clause 49 of the Listing Agreements entered into with the Stock Exchanges and meets the stipulated requirements.
- c) None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as on March 31, 2011.
- d) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of private limited companies, section 25 companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

Name of the Director	Category (Promoter/Executive/Non- Executive)	Designation	Relationship with other Directors	Number of memberships in Board of other Public Limited Company	+ Associated with other committees of Public Limited Company	
					Member	Chairman
Sri P.R. Bhandari	Promoter & Managing Director	Managing Director	Brother of U.M Bhandari	Nil	Nil	Nil
Sri.U.M.Bhandari	Promoter & Executive Director	Executive Director	Brother of P.R. Bhandari	Nil	Nil	Nil
Sri. Mukun Chand Devada	Independent Non-Executive	Director	Nil	Nil	Nil	Nil
Sri Balakrishna Karande	Independent Non-Executive	Director	Nil	1	Nil	Nil
Sri Mohammed Rajab Syed Ali	Independent Non-Executive	Director	Nil	Nil	Nil	Nil
Dr. K Venkat Ramani	Independent Non-Executive	Director	Nil	1	Nil	Nil

During 2010-11, the Board met 7 (Seven) times on 31st May 2010, 31st July 2010, 10th September 2010, 30th October 2010, 10th November 2010, 8th February 2011 and on 25th March 2011. The Last Annual General Meeting was held on 13th December 2010. The attendance of each Director during the financial year is as under:

e)

Name of the Director	No. of Meetings held	No. meetings attended	Presence at AGM
Sri P.R. Bhandari	7	7	Yes
Sri.U.M.Bhandari	7	7	Yes
Sri. Mukun Chand Devada	7	4	Yes
Sri Balakrishna Karande	7	1	NO
Sri Mohammed Rajab Syed Ali	7	1	Yes
Dr. K Venkat Ramani	7	1	NO

- f) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company
- g) During the year, information as mentioned in **Annexure** to Clause 49 of the Listing Agreements has been placed before the Board for its consideration.

3. AUDIT COMMITTEE:

- i). The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- ii) The terms of reference of the Audit Committee include a review of;
- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
 - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
 - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
 - Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - Any changes in accounting policies and practices;
 - Qualification in draft audit report;
 - Significant adjustments arising out of audit;
 - The going concern concept;
 - Compliance with accounting standards;
 - Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions
 - Reviewing the company's financial and risk management's policies.
 - Disclosure of contingent liabilities.
 - Reviewing with management, external and internal auditors, the adequacy of internal control systems.

- i. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- j. Discussion with internal auditors of any significant findings and follow-up thereon.
- k. Reviewing the findings of any internal investigations by the internal auditors into the matters 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.
- l. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- m. Reviewing compliances as regards the Company's Whistle Blower Policy.
- III) The previous Annual General Meeting of the Company was held on 13th December 2010 and Mr. Mukun Chand Devada, Chairman of the Audit Committee, attended previous AGM.
- IV) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

Name of the Director	No. of Meetings held	No. meetings attended
Mr. U. M. Bhandari	4	4
Mr. Mohammed Rajab Syed Ali	4	4
Mr. Mukun Chand Devada	4	4

- V) During the financial year four Audit Committee meetings were held on 31st May 2010, 31st July 2010, 30th October 2010 & 8th February 2011

The necessary quorum was present at all the meetings.

4. REMUNERATION COMMITTEE

The constitution of the Remuneration Committee and the attendance of each member of the Committee is given below:

Name of the Director	Chairman/Member
Mr. Mukun Chand Devada	Chairman
Mr. Mohammed Rajab Syed Ali	Member
Mr. Balakrishna Karande	Member

5. REMUNERATION OF DIRECTORS:

Details of remuneration paid to Directors are given below:

Name of the Director	Relationship with other Directors	Business relationship with Company if any	Loans and advances from Company	Remuneration	Paid during the Year 2010-2011		
					Sitting fees	Salary	Commission
Sri P.R. Bhandari	Related to Sri U.M. Bhandari Executive Director	Promoter Director	NIL	—	480000	—	480000
Sri.U.M.Bhandari	Related to Sri. P.R.Bhandari, Manaing Director	Promoter Director	NIL	—	480000	—	480000

- No setting fee' was paid to any director

6. SHARE HOLDERS /INVESTORS GRIEVANCE COMMITTEE:

The Committee oversees share transfers and monitors investor grievances. To look into the redressal of shareholders and investors complaints like – transfer of shares, non – receipt of balance Sheet, non-receipt of declared dividends etc.,

The Committee consists of the following Directors:

Name of the Director	Chairman/Member
Mr. Mukun Chand Devada	Chairman
Mr. Mohammed Rajab Syed Ali	Member
Mr. U. M. Bhandari	Member

Details of Complaints received/resolved:

During the period under review, two complaints were received from the shareholders, all of them have been resolved and there are no pending Complaints as on date of this report.

The Complaints had been attended to within seven days from the date of receipt of the complaint, As communicated by our Registers and Share Transfer Agents M/s. Aarathi Consultants Pvt. Ltd. The outstanding complaints as on 31st March, 2011 were: NIL.

7. DETAILS OF ANNUAL GENERAL MEETINGS: LOCATION AND TIME OF THE LAST THREE AGMS.

AGM	YEAR	VENUE	DATE	TIME
31st	2009-10	Hotel Raj Comfort Inn, Near Praradise, Opposite HDFC Bank, Secunderabad-500 003	13.12.2010	10.00 A.M.
30 th	2008-09	Hotel Raj Comfort Inn, Near Praradise, Opposite HDFC Bank, Secunderabad-500 003	29.09.2009	03.30 P.M.
29 th	2007-08	Hotel Raj Comfort Inn, Near Praradise, Opposite HDFC Bank, Secunderabad-500 003	29.09.2008	10.30 A.M.

No Special resolution was put through postal ballot last year.

8. DISCLOSURES

- i. There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- ii. There was no incidence of non-compliance during the last three years by the Company on any matter related top Capital markets. There were no penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority.
- iii. The Company has complied with all the mandatory requirements of Clause 49.

9. NOTES ON DIRECTORS APPOINTMENT/RE-APPOINTMENT:

Relevant details forms part of the explanatory statement to the notice of the Annual General Meeting/ Director's Report.

10. MEANS OF COMMUNICATIONS:

As per the listing requirements, the company publishes periodical financial results in leading English and regional news papers information. The Management Discussion and Analysis (MD& A) forms part of the annual report.

11. GENERAL SHAREHOLDER INFORMATION:
(I) Annual General Meeting

Date	:	30 th September, 2011
Time	:	10.00 A.M.
Venue	:	Hotel Raj Comfort Inn, Near Praradise, Opposite HDFC Bank, Secunderabad-500 003

(II) Financial Calendar 1st April 2011 to 31st March 2012(Tentative Schedule)

Quarter ending June, 30 2011	:	Approved in the Board Meeting held on 12 th August 2011 and intimated the same to Stock Exchanges
Quarter ending September 30, 2011	:	1 st / 2 nd week of November 2011
Quarter ending December 31, 2011	:	1 st / 2 nd week of February 2012
Quarter ending March 31, 2012	:	on or before 15 th May 2012
Annual General Meeting for FY ended 31 st March, 2012	:	Before end of September, 2012

(III) Date of Book Closure 28th September 2011 to 30th September 2011
(IV) Listing on Stock Exchanges :

1. Bombay Stock Exchange Limited (BSE)
2. The National Stock Exchange of India Limited (NSE)

The listing fee has been paid to all the Stock Exchanges where the Company's shares are listed.

(V) Stock Code

Bombay Stock Exchange Limited (BSE)	:	526027
The National Stock Exchange of India Limited (NSE)	:	CUBEXTUB
Dematerialization of Securities	:	ISIN: INE 144D01012

(VI) Market Price Data: High, Low during each Month in last Financial Year

During the financial year the shares of the company were traded on Bombay Stock Exchange Limited & on National Stock Exchange Limited, the following Market Price High & Low during each Month in the Last Financial Year 2010-11 as follows

Month & Year	BSE (in Rs.)		NSE (in Rs.)	
	High	Low	High	Low
April 2010	22.70	17.80	22.25	17.65
May 2010	19.95	16.20	20.45	16.00
June 2010	20.50	15.40	20.00	15.50
July 2010	21.80	17.50	21.70	17.00
August 2010	21.80	17.50	21.60	17.70
September 2010	20.75	17.75	20.40	17.60
October 2010	28.50	18.20	28.70	18.15
November 2010	28.00	17.00	27.70	19.00
December 2010	24.00	18.10	23.45	18.15
January 2011	20.00	15.65	20.00	15.15
February 2011	16.75	11.00	16.50	11.00
March 2011	13.94	11.42	14.15	11.30

(VII) Stock Performance in Comparison to Broad-based indices such as BSE Sensex, CRISIL Index, BZX 200, Nifty etc.

During the financial year the shares of the company were traded actively and the Share price has been moving with the trend of the indices.

(VIII) Transfer Agents

M/s. Aarathi Consultants Private Limited
 1-2-285, Domalguda, Hyderabad – 500 029.
 Ph: 040-2763 8111; 040-2763 4445
 Fax: 040-2763 2184
 Website: www.aarthiconsultants.com
 Email: info@arthiconsultants.com

(IX) Share Transfer System

Documents will be accepted at

M/s. Aarathi Consultants Private Limited
 1-2-285, Domalguda, Hyderabad – 500 029.
 Ph: 040-2763 8111; 040-2763 4445
 Fax: 040-2763 2184
 Website: www.aarthiconsultants.com
 Email: info@arthiconsultants.com

The Shares of the Company are in physical form and electronic form. The transfer of shares in demat form is done through the Depositories without involvement of the Company. As regards, transfer of shares held in physical form, the transfer documents can be lodged with Company as well as Registrars M/s. Aarathi Consultants Private Limited at above-mentioned address.

The Transfer of shares in physical form is normally processed within 10-15 days from the date of receipt if the documents are complete in all respects. The Share Transfer Committee severally empowers to approve the transfers.

(X) (a) Distribution of Shareholding as on 31-03-2011

Share Holding of Nominal Value		Share Holders		Share Amount	
Rs.	Rs.	Numbers	% of Total	In Rs.	% of Total
(1)	(1)	(2)	(3)	(4)	(5)
Up to - 5,000		6627	83.58	10654710	14.38
5,001- 10,000		671	8.46	5511550	7.44
10,001 - 20,000		310	3.91	4775640	6.45
20,001 - 30,000		94	1.18	2444190	3.3
30,001 - 40,000		58	0.73	2081880	2.81
40,001 - 50,000		39	0.50	1852430	2.5
50,001 - 1,00,000		64	0.81	4795130	6.47
1,00,001 and above		66	0.83	41968470	56.65
TOTAL		7929	100	74084000	100

(XII) Statement Showing Shareholding Pattern as on 31.03.2011

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	percentage of total number of shares
(A)	Shareholding of Promoter and Promoter Group²				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	13	1384015	1253050	18.68
(b)	Central Government/ State Government(s)	0	0	0	0.00
(c)	Bodies Corporate	4	1060180	1050180	14.31
(d)	Financial Institutions/ Banks	0	0	0	0.00
(e)	Any Others(Specify)				
(e-i)	Mutual Funds	0	0	0	0.00
(e-ii)	Trusts	2	10490	0	0.14
	Sub Total(A)(1)	19	2454685	2303230	33.13
2	Foreign				
a	Individuals (Non-Residents Individuals/Foreign Individuals)				
b	Bodies Corporate	1	120000	0	1.62
c	Institutions	0	0	0	0.00
d	Any Others(Specify)				
d-i	Overseas Corporate Banks	0	0	0	0.00
	Sub Total(A)(2)	1	120000	0	1.62
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	20	2574685	2303230	34.75
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds/ UTI	3	45600	0	0.62
(b)	Financial Institutions / Banks	3	800	0	0.01
(c)	Central Government/ State Government(s)	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0
(e)	Insurance Companies	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0
(h)	Any Other (specify)	0	0	0	0
	Sub-Total (B)(1)	6	46400	0	0.63
B2	Non-institutions				
(a)	Bodies Corporate	222	518945	490038	7.00
(b)	Individuals	0	0	0	0
I	Individuals -				
i.	Individual shareholders holding nominal share capital up to Rs 1 lakh	7590	2743270	2100969	37.03
ii.	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	37	1417308	1370208	19.13
(c)	Any Other (specify)clg.member	13	2902	2902	0.04
(c-i)	Non Resident Individuals	36	546690	44690	0.74
(c-ii)	Overseas Corporate Bodies	5	50200	0	0.68
	Trusts	0	0	0	0.00
	Employees	0	0	0	0.00
	Sub-Total (B)(2)	7903	4787315	4008807	64.62
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	7909	4833715	4008807	65.25
	TOTAL (A)+(B)	7929	7408400	6312037	100
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00
	GRAND TOTAL (A)+(B)+(C)	7929	7408400	6312037	100

(XII) Dematerialization of shares & liquidity

The Company's shares are compulsory traded in dematerialized form and are available for trading on both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Company representing 84.02% of the company's share capital are dematerialized as on 31st March 2011

The Company's shares are listed and eligible to trade on the above-mentioned Stock Exchanges in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE 144D01012**.

(XIII) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversation date and likely impact on equity.

The Board of Directors in its meeting held on 8th January 2010 allotted 7,00,000 Convertible Warrants to promoters / Promoter Group, convertible into equal number of equity shares of Rs. 10/- each, at the option of the Warrant holders within an aggregate time period of 18 months from the date of allotment.

(XIV) Plant Locations

- I. Near 5th Phase,
S.No.464, 482, IDA, Patancherru
Medak District, A.P.
- II A-12-A, Industrial Estate,
Mettupalayam, Pondicherry - 605 009.

(XV) Address for Correspondence

1-7-27 to 34, Shyam Towers S.D.Road,
Secunderabad – 500 003.

12. OTHER DISCLOSURES AS PER CLAUSE 49 OF THE LISTING AGREEMENT**i. Code of Conduct**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2010-11

CUBEX is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted "Code of Conduct" which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Conduct, under a certificate of Code of Conduct for the year 2010-11.

Hyderabad
30.08.2011

(Sd/-)
P.R. Bhandari
Managing Director

ii. Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956.

iii. Non executive directors' compensation and disclosures

None of the Independent / Non-executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independence of the Directors.

iv. CEO/CFO Certification

The CEO and CFO certification of the financial statements for the year 2010-11 is provided elsewhere in this Annual Report.

BY ORDER OF THE BOARD OF DIRECTORS
For CUBEX TUBINGS LIMITED

PLACE: HYDERABAD
DATE : 30-08-2011

SD/-
P.R. BHANDARI
MANAGINGDIRECTOR

SD/-
U.M.BHANDARI
EXECUTEDIRECTOR

CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO) AND THE CHIEF FINANCIAL OFFICER (CFO)

I, P.R. Bhandari, Managing Director of M/s Cubex Tubings Limited certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31st March 2011 and to the best of our knowledge and belief;
 - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - These statements present a true and fair view of the company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or purpose to take and rectify the identified deficiencies and;
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) There is no Instances of significant fraud of which we have become aware and the involvement of an employee having a significant role in the company's internal control system.

Place: HYDERABAD
Date: 30.08.2011

P.R BHANDARI
Managing Director

Certificate on compliance of Corporate Governance

To
The Members,
Cubex Tubings Limited
Hyderabad

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of corporate governance of M/s **Cubex Tubings Limited** ("the company") for the year ended 31st March, 2011 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges.

The compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the Guidance note on Certification of Corporate governance" issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the company has complied with the conditions of Corporate Governance as stipulated in clause 49 the above mentioned Listing Agreement.

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 P. MURALI & CO.,
CHARTERED ACCOUNTANTS

PLACE : HYDERABAD
DATE : 30.08.2011

P. MURALI MOHANA RAO
PARTNER

CUBEX TUBINGS LIMITED

Address: 1-7-27 to 34, 1st floor, shyam towers, S.D.Road, Secunderabad.

Dear Shareholder(s),

Sub: Request for registration of e-mail ID under “Green Initiative” issued by Ministry of Corporate Affairs, Govt. of India.

- 1) Ministry of Corporate Affairs, Government of India (MCA) has issued a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies, stating that the service of notice / document by a company to its shareholders can be made through electronic mode, vide circular nos. 17/ 2011 dt.21.04.2011 & 18/2011 dt. 29.04.2011. For full text of the said circulars, please refer to MCA’s website www.mca.gov.in. The said Circulars inter-alia stipulates that the Companies have to obtain e-mail address by giving an advance opportunity to every shareholder to register their e-mail address and changes therein from time to time with the Company or Depository Participant (DP).
- 2) In view of the above, your company proposes to send Annual Reports (Audited Financial Statements, Directors Report, Auditors Report, etc..) and also other documents including Notice of the Annual General Meeting, henceforth to the shareholders in electronic mode. Accordingly, an advance opportunity is given to you to register your e-mail address to receive the notice/ document in electronic mode as under:

Shares held in Electronic Mode	If Email ID is already registered with DP	Please inform changes, if any therein to DP and also update the same.
	If Email ID is not registered	Please register Email ID with DP immediately.
Shares held in Physical Mode	If Email ID is already registered	Please inform changes, if any therein to Share Transfer Agent (STA) and also update the same
	If Email ID is not registered	Please register immediately with Share Transfer Agent (STA)
- 3) In case, you are interested in receiving the notices / documents in physical form only, irrespective of your shareholding in demat or physical, please inform to our STA at the addresses given below:

M/s.AarthiconsultantsPvt, Ltd.,
(Unit: LGS Global Limited),
1-2-285, Domalguda,
Hyderabad-500029.
Tel.No.040-27638111/4445,FaxNo.040-27632184,
Email: info@arthiconsultants.com

OR

Click Button on “**Green Initiative**” on Website www.arthiconsultants.com or www.cubextubings.com

- 4) You are also requested to provide/ update the details of your postal address to receive the documents & also bank details for receiving the dividend warrants /dividend mandate/ECS etc., with your DP/STA as the case may be before the above said date.
- 5) This letter has also been e-mailed to those shareholders, who have already provided e-mail address in their demat accounts with DP.
- 6) Please note that the e-mail address indicated in your DP account, with depositories viz. NSDL/CDSL and e-mail address received by our STA will be deemed to be your registered email address for serving notices/ documents etc., including those covered under Section 219 of the Companies Act, 1956, (the Act) read with section 53 of the Act.
- 7) Please also note that henceforth, the Annual Reports will be sent to those Members in electronic mode, whose e-mail address registered/updated with NSDL/CDSL and received in our STA’s office up to date



CUBEX TUBINGS LIMITED

mentioned above and for other Members, Annual Report will be sent in physical form as per the address available in the records.

Further, the documents electronically sent to you, would be displayed on our website www.cubextubings.com well in advance for your ready reference and an advertisement would be issued in newspapers to this effect for information of the shareholders.

- 8) This move by the Ministry is welcome initiative, since it will benefit the society at large through reduction in paper consumption and contribution towards a Green Environment. It will also ensure prompt receipt of communication and avoid loss in postal transit.
- 9) We are sure you would appreciate the "Green Initiative" undertaken by MCA and your company's desire to participate in such initiatives.
- 10) We are also sure that you would join hands with the Company in complying "Green Initiative" by registering/ updating your e-mail address with concerned depository including dividend mandate/ECS and change of address, if any for prompt receipt of communications/dividend and avoid loss in postal transit.

Yours faithfully

BY ORDER OF THE BOARD OF DIRECTORS
FOR CUBEX TUBINGS LIMITED

MANAGING DIRECTOR

AUDITORS' REPORT

To
The Members,
M/s. CUBEX TUBINGS LIMITED

We have audited the attached Balance Sheet of . CUBEX TUBINGS LIMITED as at 31st March , 2011 and also the Profit & Loss Account for the period ended on the 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis of our opinion .

As required by the Companies (Auditor's Report) order 2003 and as amended by the Companies (Auditor's Report)(Amendment) order 2004, issued by the Central Government of India in terms of the sub-section(4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our Audit ;
- (ii) 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 ;
- (iii) The Balance Sheet & Profit & Loss Account and Cashflow Statement dealt with by this report are in agreement with the books of account ;
- (iv) In our opinion, the Balance Sheet & Profit & Loss Account and Cashflow Statement dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of Section 211 of Companies Act, 1956 ;
- (v) **On the basis of written representations received from the 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 Director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956 ;**
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India ;
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March , 2011;
 - (b) In the case of the Profit & Loss Account, of the Loss for the period ended on that date;

And

- (c) In the case of the Cash Flow, of the cash flows for the period ended on that date ;

For P.MURALI & CO.,
CHARTERED ACCOUNTANTS
FRN: 007257S

PLACE : HYDERABAD
DATE : 30.08.2011

(M.V. JOSHI)
PARTNER
MEMBERSHIP NO.24784

ANNEXURE TO THE AUDITORS' REPORT

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
(b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.
(c) The Company has not disposed off substantial part of the Fixed Assets.
- II. (a) The Inventory has been physically verified during the year and in our opinion, the frequency of verifications is reasonable
(b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
(b) As the Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
(c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties, is not applicable to the company.
(d) No loans have been granted to Companies, Firms & other parties listed in the register U/s.301 of the Companies Act, 1956, hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.
(e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.
(f) As the Company has not taken any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.
(g) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties, is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control
- V. (a) In our opinion and according to the information and explanation given to us, the contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of the financial year, are entered in register U/s 301 of the Companies Act, 1956 does not arise.
(b) According to the information and explanations given to us, as no such contracts or arrangements made by the company, the applicability of the clause of charging the reasonable price having regards to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (i) of section 209 of the Companies Act, 1956.

- IX.** a) The Company is regular in depositing statutory dues including PF, ESI, Excise Duty, Income Tax, Cess and any other statutory dues with the appropriate authorities and at the last of the financial year there were no amounts outstanding which were due for more than 6 months from the date they became payable.
- b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF, ESI, Excise Duty, Income Tax, Cess and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X.** The Company has been registered for a period of not less than 5 years, and the Company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year but has incurred cash losses in the immediately preceeding financial year.
- XI.** According to information and explanations given to us, the Company has not defaulted in repayment of dues to financial Institute or Banks.
- XII.** According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII.** This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies.
- XIV.** According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV.** 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, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise
- XVI.** According to the information and explanations given to us, the Term Loans were applied by the Company for the purpose for which the loans were obtained.
- XVII.** According to the information and explanations given to us, no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.
- XVIII.** According to the information and explanations given to us, the Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX.** According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX.** According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI.** According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For P.MURALI & CO.,
CHARTERED ACCOUNTANTS
FRN: 007257S

PLACE : HYDERABAD
DATE : 30.08.2011

(M.V. JOSHI)
PARTNER
MEMEBRESHIPNO.24784

BALANCE SHEET AS AT 31-03-2011

PARTICULARS	Schedule No.'s	AS AT 31.03.2011 (Rupees)	AS AT 31.03.2010 (Rupees)
I SOURCES OF FUNDS			
1. SHAREHOLDER'S FUNDS			
a. Capital	1	73495549	73495549
b. Reserves & Surplus	2	358004811	348350148
c. Preferential Issue Warrants		2800000	3136000
2. LOAN FUNDS			
a. Secured Loans	3	58527029	56791571
b. Unsecured Loans		-	-
3. DEFERRED INCOME TAX LIABILITY		2673464	2533979
TOTAL		495500853	484307247
II. APPLICATION OF FUNDS			
1. FIXED ASSETS	4		
a. Gross Block		290586738	274513498
b. Less :Depreciation		135857397	122692473
c. Net Block		154729341	151821024
2. CURRENT ASSETS, LOANS & ADVANCES			
a. Inventories		70656821	63279741
b. Sundry debtors	5	172432425	196880369
c. Cash & Bank balances		30705501	15073285
d. Advances & Deposits	6	85551940	80757140
Less: Current Liabilities, Provisions & Advances	7	18575175	23504312
NET CURRENT ASSETS		340771512	332486223
Notes to Accounts	9	-	-
TOTAL		495500853	484307247

AS PER OUR REPORT OF EVEN DATE
FOR P MURALI & CO.,
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD
FOR **CUBEX TUBING LIMITED**

M.V.JOSHI
PARTNER

P R BHANDARI
MANAGING DIRECTOR

U.M BHANDARI
EXECUTIVE DIRECTOR

Date : 30.08.2011
Place : Hyderabad

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2011

PARTICULARS	Schedule No's	YEAR ENDED 31.03.2011 (Rupees)	YEAR ENDED 31.03.2010 (Rupees)
1 INCOME			
Sales		550997905	644064502
Other Income		14754083	12037964
TOTAL		565751988	656102466
2 EXPENDITURE			
Manufacturing, Selling & Administrative Expenses	8	546278130	601623374
Interest & Financial Charges		1590856	834304
Stock Adjustment (Increase & Decrease)		(7377080)	19916645
Loss on sale of Vehicle		47910	-
Depreciation		13399748	12122819
TOTAL		553939564	634497142
3 NET PROFIT BEFORE TAX		11812424	21605324
4 PROVISION FOR INCOME TAX		2354275	3362480
5 PROVISION FOR DEFERRED TAX ASSET		(139485)	412376
6 NET PROFIT AFTER TAX		9318664	18655220
7 BALANCE BROUGHT FORWARD		152736386	134081165
8 BALANCE CARRIED FORWARD		162055049	152736386

AS PER OUR REPORT OF EVEN DATE
FOR P MURALI & CO.,
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD
FOR **CUBEX TUBING LIMITED**

M.V.JOSHI
PARTNER

P R BHANDARI
MANAGING DIRECTOR

U.M BHANDARI
EXECUTIVE DIRECTOR

Date : 30.08.2011
Place : Hyderabad

SCHEDULE 1
SHARE CAPITAL

PARTICULARS	AS AT 31.03.2011 (Rs)	AS AT 31.03.2010 (Rs)
AUTHORISED:		
10000000 Equity Shares of Rs.10/-Each	100000000	100000000
ISSUED,SUBSCRIBED & PAID-UP:		
7408400 Equity Shares of Rs.10/-Each, fully paid	74084000	74084000
Less: Calls in Arrears	588451	588451
	73495549	73495549

SCHEDULE 2
RESERVES & SURPLUS

PARTICULARS	AS AT 31.03.2011 Rs	AS AT 31.03.2010 (Rs)
Investment allowance Reserve	660700	660700
Revenue Reserves	2277766	2276464
Share Premium	191365406	191365406
Forfeiture of share warrants advance	336000	0
Subsidy	1309890	1309890
Surplus in Profit & Loss A/c	162055049	152736386
	358004811	348350148

SCHEDULE 3
SECURED LOANS

PARTICULARS	AS AT 31.03.2011 Rs	AS AT 31.03.2010 (Rs)
CAR LOANS	1819289	83831
SALES TAX DEFERMENT	56707740	56707740
	58527029	56791571

**SCHEDULE 4
FIXED ASSETS**

PARTICULARS	GROSS BLOCK DELITIONS AS ON 01.04..2010	DELI-TIONS	ADDI-TIONS	GROSS BLOCK AS ON 31.03.2011	DEPRE-CIATION UP TO 01.04.2010	DEPRE-CIATION DURING THE PERIOD	DELI-TIONS	TOTAL DEPRE-CIATION 31.03.2011	NET BLOCK AS AT 31.03.2011	NET BLOCK AS AT 31.03.2010
Land	2000670			2000670				0	2000670	2000670
Building	27735877		234822	27970699	9267385	929259		10196644	17774055	18468492
Electrical Installation	13355159		2615904	15971063	2600185	730690		3330875	12640189	10754974
Plant & Machinery	200028230		7961128	207989358	96211690	9632263		105843953	102145405	103816540
Furniture & Office Eqpt.	2829689		139718	2969407	2296386	171880		2468266	501141	533303
Furnace	9778854		2388551	12167405	2828078	530667		3358745	8808660	6950776
Lab Equipment	3690224		66434	3756658	1368521	175363		1543884	2212773	2321703
Water Cool moulds	5463141		481390	5944531	1083269	271127		1354396	4590135	4379872
Weight Equipment	197904		0	197904	121588	9400		130988	66916	76316
Bore well	131760		0	131760	55899	4400		60299	71461	75861
Vehicles	5867698	897735	3061429	8031392	4283316	638173	234825	4686664	3344728	1584382
Scooter & Mopeds	598864		0	598864	520315	53046		573361	25503	78549
Generators	1287140			1287140	956322	61139		1017461	269679	330818
Computers	1147094		21599	1168693	830455	173283		1003738	164955	316639
Telephones	401194			401194	269064	19057		288121	113073	132130
	274513498	897735	16970975	290586738	122692473	13399748	234825	135857396	154729342	151821025

SCHEDULE 5
SUNDRY DEBTORS

PARTICULARS	ASAT 31.03.2011 Rs	ASAT 31.03.2010 (Rs)
(Unsecured and Considered good)	51729728	73956282
a. Debts exceeding for a Period of six months:		
b. Other Debts Considered good	120702697	122924087
	172432425	196880369
Less: Provision for Bad and doubtful debts	-	-
	172432425	196880369

SCHEDULE 6
ADVANCES & DEPOSITS

PARTICULARS	ASAT 31.03.2011 Rs	ASAT 31.03.2010 (Rs)
Advances to Suppliers	18045450	21630424
Other Advances	40515673	30632495
Deposits	26990817	28494221
	85551940	80757140

SCHEDULE 7
**CURRENT LIABILITIES,
PROVISIONS & ADVANCES**

PARTICULARS	ASAT 31.03.2011 Rs	ASAT 31.03.2010 (Rs)
Creditors for Capital purchases	3574694	3087334
Sundry Creditors	7298721	12675877
Advances & Deposits	-	-
Creditors for Expenses	1863598	1847534
Provisions	5838162	5893568
	18575175	23504312

SCHEDULE 8
MANUFACTURING, SELLING & ADMINISTRATIVE EXPENSES

PARTICULARS	ENDING 31.03.2011 Rs	ENDING 31.03.2010 (Rs)
Raw materials & Consumables.	483578229	545934242
Packing materials & Others	12306944	9417605
Manufacturing Expenses	12985627	18185319
Salaries & Wages	8367244	6549718
Managerial Remuneration	960000	720000
Auditors Remuneration	33090	33090
Administrative Expenses	5012060	5267942
Selling Expenses	3526324	3594120
Bad debts	1712589	802437
Power Charges	17796023	10118901
Central Excise	0	1000000
	546278130	601623374

SIGNIFICANT ACCOUNTING POLICIES.**BASIS OF PREPARATION:**

The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956 ('the Act'). The financial statements have been prepared under historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year:

USE OF ESTIMATES:

The preparation of financial statements is in conformity with generally accepted accounting principles require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Significant estimates used by the management in the preparation of these financial statements include estimates of the economic useful lives of fixed assets and provisions for bad and doubtful debts. Any revision to accounting estimates is recognized prospectively.

(a) Accounting Convention and Revenue Recognition:

The Financial Statements have been prepared on a going concern basis in accordance with historical cost convention except for such fixed assets which are revalued. Both Income and Expenditure are recognized on accrual basis.

Revenue is not recognized on the grounds of prudence, until realized in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

(b) Cash Flow Statement: AS-3

The Company has prepared Cash Flow Statement as per the **AS-3**.

(c) Retirements Benefits:

No provision for gratuity has been made as no employees have put in qualifying period of service for entitlement of this benefit.

(d) Fixed Assets:

Fixed Assets are stated at cost of acquisition and subsequent improvements thereto, inclusive of taxes, freight, and other incidental expenses related to acquisition, improvements and installation, except in case of revaluation of Fixed Assets where it is stated at revalued amount, as contained in **AS-10**.

(e) Depreciation:

Depreciation on Fixed Assets is provided on straight-line method as per the rates specified in Schedule XIV of the Companies Act, 1956. This is in accordance with the **AS-6** and there is no change in the method of Depreciation during the year.

(f) Transactions in Foreign Exchange:

Sales / Purchases and revenue incomes / expenses in foreign currency are booked at the exchange rate prevailing on the date of transaction. Gain / Loss arising out of fluctuations in exchange based on the rate on date of realization is accounted for in the Profit and Loss Account as per **AS-11**.

(g) Borrowing Cost:

Borrowing cost relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/sale. Borrowing cost that are

attributable to the projects are charged to the respective projects. All other borrowing costs, not eligible for inventorisation/capitalisation, are charged to revenue.

(h) **Inventories:**

Materials, stores & spares, tools and consumable are valued at cost or market value, which ever is lower on the basis of first in first out method reflecting the fairest possible approximation to the cost incurred in bringing the items of inventory to their present location and condition.

(i) **Taxes on Income:**

- a) Provision for tax for the year comprises current Income Tax and Deferred Tax and is provided as per the Income Tax Act, 1961.
- b) Deferred tax resulting from timing differences between the book and the tax profits is accounted for, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future; however where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets/liabilities are reviewed as at each balance sheet date.

(j) **Earnings per Share:**

The earnings considered in ascertaining the Earning Per Share comprise of Net Profit after Tax. The number of shares used in computing Basic Earnings Per Share is the Weighted Average number of shares outstanding during the year, as per **AS-20**.

(k) **Impairment of Assets:**

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sale price or present value as determined above.

(l) **Related Party Disclosures :**

The Company as required by **AS-18**, furnishes the details of Related Party Disclosures in Schedule 9 of notes forming part of accounts

SCHEDULE 9

NOTES FORMING PART OF ACCOUNTS

1. During the year the company has forfeited the share warrants advance amount of Rs.3,36,000/- and the same was transferred to Reserves & surplus.
2. Details of Deferred Tax Liability as on 31-03-2011 on account of timing difference is as under :

Deferred Tax Liabilities	As on 31-03-2011 Amount in Rs.	As on 31-03-2010 Amount in Rs.
Opening Balance	25,33,979	29,46,355
Add: Adjustment for timing difference of Depreciation as per Companies Act, 1956 and Income Tax Act, 1961.	1,39,485	(4,12,376)
Closing Balance	26,73,464	25,33,979

3. Detailed information regarding quantitative particulars under part II of schedule VI to the Companies Act, 1956:

- i) Quantitative information with regard to
- Licensed Capacity and
 - Installed Capacity per annum

Particulars	Year ended 31-03-2011		Year ended 31-03-2010	
	Quantity (MT)	Amount Rs. in Lacs	Quantity (MT)	Amount Rs. in Lacs
a) Turnover	937.626	5509.97	1683.297	6526.46
b) Details of Raw Material consumed				
i) Copper & Copper Alloys and Other items	990.741	4256.87	1355.054	6110.98
c) Capacity & Production				
i) Installed Capacity	2800	NILL	2800	Nil
ii) Actual Production	937.626	-	1621.44	Nil

4. Related Party Disclosure:

Particulars of related parties:

Name of the Related Party	Nature of Relationship
Mr. P.R.Bhandari	Managing Director
Mr. U.M.Bhandari	Executive Director
Mr. Mukan Chand Devada	Director
Mr. Balakrishna K	Director
Mr.Mohammed Rajab Syed Ali	Director
Dr. K.Venkat Ramani	Director

Transactions & Remuneration during the year with related Parties :

Name of the Party	Nature of Relationship	Nature of Transaction	2010-11 (Rs.in Lakhs)	2009-10 (Rs.inLakhs)
Mr. P.R.Bhandari	Managing Director & CEO	Remuneration	4.80	4.32
Mr. U.M.Bhandari	Executive Director	Remuneration	4.80	4.32
Mr. Mukan Chand Devada	Director	Remuneration	NIL	NIL
Mr.Mohammed Rajab Syed Ali	Director	Remuneration	NIL	NIL
Dr. K.Venkat Ramani	Director	Remuneration	NIL	NIL
TOTAL			9.60	8.64

5. Details of Auditors Remuneration :

Sl. No.	Nature of Fees	Amount of Remuneration 2010 - 11 (Rs. in Lakhs)	Amount of Remuneration 2009 - 10 (Rs. in Lakhs)
1	Statutory Audit Fee & Tax audit fee	0.33	0.33

6. Contingent Liabilities : *(Rs. in Lakhs)*

		As at 31-03-2011	As at 31-03-2010
Bank Guarantee (Performance of Product & towards The Security)	State Bank of Hyderabad, Axis Bank, Indusind Bank & CITI Bank.	145.75	168.52

7. Amount of delayed outstanding dues to Micro and Small Enterprise as per MSME Development Act, 2006, could not be ascertained at the end of the Financial Year.

8. **FOREIGN EXCHANGE EARNINGS AND OUTFLOW : Particulars Nature of Currency Year 2010 – 11 Year 2009 – 10**
Rs.Lakhs Rs.Lakhs EARNINGS On Export of Goods-0.3065.10 **OUTFLOW** Raw Materials-1005.701348.00

9. Earnings Per Share :

Particulars	2010 – 11	2009 – 10
Net profit after tax (Rs. Lakhs)	93.19	186.55
Weighted Average Numbers of shares	7408400	7408400
Basic EPS (Rs.)	1.26	2.52
Diluted EPS	1.26	2.52

9. Segment wise information not being furnished as the company operates only one segment VIZ.Copper & Copper Alloy Products.

11. Closing Balances of Debtors / Creditors / Loans & Advances are subjected to confirmation from the parties

12. Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification.

13. The company has been Registered with BIFR as a sick Industries and one time settlement with Bank and Financial Institute has since been made.

14. The Company has availed total amount of Rs.5,67,07,740/- towards the sales Tax deferment, which has been sanctioned to the company.

15.. The paisa have been rounded off to the nearest rupee.

SIGNATURES TO SCHEDULES 1 TO 9

As per our Report of Even date

FOR P. MURALI & CO.
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD
FOR CUBEX TUBINGS LIMITED

M. V. JOSHI
PARTNER

P. R. BHANDARI
MANAGING DIRECTOR

U. M. BHANDARI
EXECUTIVE DIRECTOR

Place : Hyderabad
Date: 30-08-2011

CASH FLOW STATEMENT OF THE YEAR ENDED 31-03-2011
(Rs.in lakhs)

PARTICULARS	Current year	Previous year
A CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit Before Tax & Extraordinary Items	118.12	216.05
ADJUSTMENTS FOR		
Depreciation	134.00	121.23
Interest Expenses	15.91	8.34
Loss on Sale of Fixed Assets	0.48	0.00
Operating Profit before Working Capital Changes	268.51	345.62
ADJUSTMENTS FOR		
Trade & Other Receivable	196.53	-182.87
Inventories	-73.77	199.17
Trade Payables others	-72.83	37.28
Cash Generated From Operations	318.44	399.21
Interest & Fiancé Charges paid	15.91	8.34
Cash flow from Extraordinary Items	0.00	0.00
Net Cash flow from Operating Activities	302.53	390.86
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-169.71	-369.63
Sale/Adjustment of Fixed Assets	6.15	0.00
Net Cash Used in Investment Activities	-163.56	-369.63
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Share Capital	0.00	0.00
Preferential Issue Money	0.00	28.00
Secured Loan Taken/Repaid	17.35	-3.39
Unsecured Loan Taken/Repaid	0.00	-4.68
Share Premium and General Reserve	0.00	0.00
Net Cash used in Financing Activities	17.35	19.93
NET INCREASE IN CASH & CASH EQUIVALENTS	156.32	41.18
Cash and Cash Equivalents (Opening Balance)	150.73	109.55
Cash and Cash Equivalents (Closing Balance)	307.05	150.73

For and on behalf of the Board
For CUBEX TUBING LIMITED

Place: Hyderabad
Date : 30-08-2011

P.R. Bhandari
Managing Director

U.M.Bhandari
Director

CERTIFICATE

To
The Board of Directors
M/s. Cubex Tubings Limited

We have examined the above cash flow statement of Cubex Tubings Limited for the year ended 31st, March, 2011. This has been prepared by the Company is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

FOR P MURALI & CO.,
CHARTERED ACCOUNTANTS

Place: Hyderabad
Date : 30-08-2011

M.V.JOSHI
PARTNER

Balance Sheet Abstract and Company's General Business Profile

(Inserted by Notification No.GSR388(E), dt.15-5-1995)

I. Registration Details

Registration No.	0 0 2 5 0 4	State Code	0 1
Balance Sheet	3 1 0 3 2 0 1 1		
Date	Month	Year	

II. Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue	N I L	Rights Issue	N I L
Bonus Issue	N I L	Private Placement	N I L

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

Total Liabilities	4 9 5 5 0 1	Total Assets	4 9 5 5 0 1
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Sources of Funds

Paid - Up Capital	7 3 4 9 6	Reserves & Surplus	3 5 8 0 0 4
Secured Loans	5 8 5 2 7	Unsecured Loans /Deferred tax Liability	2 6 7 3

Application of Funds

Net Fixed Assets	1 5 4 7 2 9	Capital work in progress	N I L
Net Current Assets	3 4 0 7 7 2	Misc. Expenditure	N I L
Accumulated Losses	N I L		

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	5 6 5 7 5 2	Total Expenditure	5 5 3 9 4 0
Profit/ Loss Before Tax	1 1 8 1 2	Profit/ Loss After Tax & Deferred Tax	+ 9 3 1 9
Earning Per Share in Rs.	1 . 2 6	Dividend rate %	N I L

V. Generic Names of Three Principal Products / Services of Company (as per monetary terms)

Item Code No. (ITC Code)

Product Description

M	A	N	U	F	A	C	T	U	R	I	N	G	O	F
C	O	P	P	E	R	A	N	D	C	O	P	P	E	R
A	L	L	O	Y	S	P	R	O	D	U	C	T	S	

CUBEX TUBINGS LIMITED

1-7-27 to 34, Shyam Towers, S.D.Road, Secunderabad - 500 003.

Proxy Form

Regd. Folio no.: **No. of shares**

DP ID no. **Client ID no.**

I/We _____ of _____
 being Member /Members of Cubex Tubings Limited hereby appoint _____ of _____
 as my/our proxy to attend and vote for me/us on my/our behalf at
 the 32nd Annual General Meeting of the Company to be held on Friday, 30th September, 2011 at 10.00 A.M. at Hotel
 Raj Comfort Inn, Near Paradise, Opposite HDFC Bank, Secunderabad-500 003 and at any adjournment thereof.

As witness my/our hand (s) this _____ day of _____ 2011

Signed by the said _____

Affix Re 1/-
Revenue
Stamp

CUBEX TUBINGS LIMITED

1-7-27 to 34, Shyam Towers, S.D.Road, Secunderabad - 500 003.

Admission Slip

Date	Venue	Time:
30th September, 2011	Hotel Raj Comfort Inn, Near Praradise, Opposite HDFC Bank, Secunderabad-500 003	10:00 A.M

Name of the shareholder	Folio no. / DPID and Client ID No.	No. of shares

I certify that I am a registered shareholder of the Company and hold above-mentioned shares in the Company and hereby record my present at the 32nd Annual General Meeting of the Company.

Member's/Proxy signature

Note: Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at the entrance duly signed.

PRINTED MATTER
B O O K - P O S T

if undelivered, please return to:



CUBEX TUBINGS LIMITED

Regd. Office : 1st Floor, 1-7-27 to 34, United Building Complex,
S.D. Road, Secunderabad - 500 003