Rajesh Malleables Limited

Thirtieth Annual Report
2011-2012

For RAJESH MALLEABLES LTD.

Authorised Officer/Director

Board of Directors

Mr. Anuj R. Mehta	Managing Director
Mr. Himanshu D. Sanghavi	Director
Mr. Paresh H. Patel	Director

Bankers

Oriental Bank of Commerce
Station Road Branch, Ahmedabad.

Auditors

S.MANDAWAT & CO

Ahmedabad.

Registered Office

4, G.I.D.C Industrial Estate,
Phase - I,Vatva,
Ahmedabad 382 445.

NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of M/s. Rajesh Malleables Limited will be held on Saturday, the 29th day of Sept, 2012 at 4.30 p.m. at Registered Office of the Company at 4, G.I.D.C. Industrial Estate, Phase - I, Valva, Ahmedabad - 382 445 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the period ended on that date together with the Directors' and Auditors' Report thereon.

2. To appoint a Director in place of Shri Pareshbhai H. Patel, who retires by rotation and being eligible offers himself for reappointment.

3. To appoint Mr. Subhas K. Mandawat, Chartered Accountants, Ahmedabad as Statutory Auditors and fix their remuneration.

Registered Office:
4, G.I.D.C. Industrial Estate
Phase - I, Valva,
Ahmedabad - 382 445.
Date: 10th August, 2012

BY ORDER OF THE BOARD OF DIRECTORS

ANUJ R. MEHTA
MANAGING DIRECTOR

Notes

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company.
   A proxy in order to be valid should be lodged at the Registered Office of the Company not later than 48 hours before the Annual General Meeting.

2. The register of members and the share Transfer Register shall remain closed from 27th September 2012 to 29th September 2012 (both days inclusive).

3. Members are requested to intimate the change in their addresses, if any, with the postal area pin code quoting their folio nos. and to quote folio nos. in all future correspondence.

For, RAJESH MALLEABLES LTD.

Authorised Officer/Director

Rajesh Malleables Limited DIRECTOR'S REPORT

To:
The Shareholders of
Rajesh Malleables Ltd.

Your Directors present herewith their Therty Annual Report to gather with Audited Statement of Accounts of your Company for the period ended 31st March 2012

FINANCIAL RESULTS

	(31st March , 2012) (15 Months) Rs.	(31st December,2010) (9 Months) Rs.
Revenue from operations/discontinued operations (Net of Excise Duty)	6,23,92,862	2,87,77,525
Other Income	55,925	17,775
Operating Profit (Loss) (before Interest, Depreciation and Tax)	1,29,89,354	(26,88,968)
Interest	3,42,042	98,912
Depreciation (Net)	---	3,47,351
Profit/(Loss) Before Excepti onal Items & Prior Period Expense	1,26,47,312	(31,35,231)
(Add)/: Prior Period (Expenses)/Income	(92.05.808)	1.24.24.733
(Add): Provision for Income -Tax & Deferred Tax	---	---
Profit After Prior Period Adjustments from continuing operations	34,41,504	92,89,502
Net profit for the year	34,41,504	92,89,502
Add: (Loss) brought forward from Previous Year	(18,80,32,511)	(19,73,22,013)
Balance carried to Balance Sheet	(18,45,91,007)	(18,80,32,511)

During the year under review the company has made Net Profit of Rs. 34.42 lacs during the period of 15 months as against Rs. 92.89 lacs during the period of 9 months. Your Directors are hopeful that the performance will improve gradually in years to come.

With a view (i) to make consistency with Income tax Act, (ii) to avoid complexity of two accounting years (iii) to avoid duplicity of work , your board has increased the period of financial year ending from 31st December 2011 to 31st March 2012.

Your Directors regret their inability to recommend payment of dividend in view of the performance in the year under review.

OPERATIONS

Your Directors are pleased to inform you that on account of continuous and sincere affords of the entire management team. The net worth of the company became positive and the revival of the company is sustainable.

DEPOSITS

During the year under review, the Company has not accepted any deposits by invitation from public under Section 58-A of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure I and forming part of this report.

PARTICULARS OF EMPLOYEES

There is no employee covered under Section 217 (2A) of the Companies Act, 1956.

DIRECTORS

Shri Paresh H. Patel retires by rotation, and being eligible offer himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed:

1) That in preparation of the accounts for the period ended 31st March, 2012, the applicable accounting standards have been followed;
2) That the Directors have selected such accounting policies and applied them consistently and were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
3) That the Directors 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;
4) That the Directors have prepared the accounts for the period ended 31st March, 2012 on a "going concern" basis.

AUDITORS & AUDITORS' REPORT

Mr. S. Mandawat & Co., Chartered Accountants, Ahmedabad, the Statutory Auditors of the Company holds the office until the conclusion of the ensuing Annual General Meeting. You are requested to re-appoint them and fix their remuneration. The notes on the accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

CORPORATE GOVERNANCE

The corporate governance report along with auditor's certificate regarding compliance of the conditions of corporate governance as stipulated in clause 49 of the listing agreement with the stock exchanges is attached herewith.

SUBSIDIARY COMPANY

There is no subsidiary Company as on 31st March 2012 therefore the statement relating to Subsidiary Company, pursuant to Section 212 of the Companies Act, 1956 is not applicable during the year under review.

ACKNOWLEDGMENT

The Board of Directors place on record the appreciations for the services rendered by its employees, Financial Institutions, Bankers and other authorities and look forward to their continued support.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

ANUJ R MEHTA

MANAGING DIRECTOR

Place: Ahmedabad.
Date: 10th August, 2012

ANNEXURE - A

INFORMATION UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

CONSERVATION OF ENERGY

The company has always been conscious of the need to conserve energy. Step are being taken to reduce energy consumption i.e. Heating Agents and Power e.g..

1. To reduce the costs as well as to save consumption of energy per unit of goods produce, Company is keen to modernize certain process and equipments.
2. By immediately switching off, the power for machines/ equipments and lighting not in use.
3. Improvement in yield of liquid metal to save power and energy.

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION:

1. The Company intends to make the absorption and adoption of technologies and innovation therein an ongoing process.
2. The Company is developing items suitable for export.

Expenditure on R & D and Technology absorption	:	NIL
FOREIGN EXCHANGE EARNING AND OUTGO	:	
Foreign Exchange Earning	:	NIL
Foreign Exchange Used	:	NIL

Particulars in Form A are not applicable to the Company and hence not given.

ANNEXURE 'B'
REPORT ON CORPORATE GOVERNANCE

1. **COMPANY'S PHILISOPHY ON CODE OF GOVERNANCE**

Your company has always believed in the concept of good Corporate Governance involving a high level of transparency, accountability and responsibility in all areas of its operations to ensure investors protection. Your company has made necessary changes in the systems and procedures required for effective control, for the steady growth of the company and to increase the value for all stakeholders. Mandatory provisions of corporate Governance as stipulated under listing agreements of Stock Exchanges are being complied with.

2. **BOARD OF DIRECTORS**

During the year the Board of Directors had one Executive Director and two Non-Executive Independent Directors. The composition of Board is in compliance with the requirements of Clause 49(1)(A). The detailed composition of the Board and other related information is given in the table below:

Name of the Director	Designation	Category	No. of Directorship held in Public/Pvt. Ltd. Companies	No. of Memberships/ Chairmanships of other Board Committees	No. of Board Meeting attended	Attendance at the last Annual General Meeting
Mr. Anuj R. Mehta	Managing Director	Executive Director	4	-	8	Yes
Mr. Himanshubal D. Sanghvi	Director	Non-Excecutive & Independent	2	-	8	Yes
Mr Paresh H. Patel	Director	Non-Executive Director	3	-	0	No

During the year, Seven Board meetings were held, details of which are given in the table below:

Date of meeting
08/01/2011
18/04/2011
15/06/2011
30/07/2011
31/10/2011
14/11/2011
14/02/2012
16/03/2012

The time gap between any two meetings was less than 3 months.

3. **AUDIT COMMITTEE**

The Audit Committee comprising following Directors.

1. Mr. Himanshubhai D. Sanghavi
2. Mr. Paresh H. Patel

The terms of reference are as under:

1. To investigate into any matter in relation to the items specified in Section 292(A) of the Companies Act 1956, and also as contained under Clause 49 of the Listing Agreement.
2. Reviewing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
3. Recommending the appointment of external Auditor and fixation of their Audit fee.
4. Reviewing with management the Annual financial statements and half yearly and quarterly financial results before submission to the Board
5. Reviewing periodically the adequacy of the internal control system
6. Discussions with Internal Auditor on any significant findings and follow up there on.

The composition of the Audit Committee is as under:

Name of the Director	Category	Remarks
Mr. Paresh H. Patel	Non-Executive & Independent Director	Chairman of the Committee
Mr. Himanshubhai D. Sanghavi		Member

During the year, five committee meetings were held.

4. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Shareholders Grievance Committee was formed by the Board of Directors to ensure the effective redressal of the complaints of the investors. The Committee also recommends steps to be taken for further implementation in the quality and services to the investors.

Composition of the Investors' Grievance Committee

Name of the Director	Category	Remarks
Mr. Anuj R. Mehta	Managing Director	Member
Mr. Paresh H. Patel	Non-Executive & Independent	Chairman of the Committee

During the year, five committee meetings were held.

The Committee reviews redressal of shareholders and investors complaints like transfer of shares, non-receipt of Balance Sheet etc.

5. REMUNERATION COMMITTEE

The Board of Directors has not constituted the Remuneration Committee, as the Company has not revised remuneration to any of the directors after implementation of Corporate Governance guidelines.

Details of Remuneration paid:

a. **Managing Director**

The Company has not paid any Remuneration to the managing Director during the Year (Previous Year Rs. NIL)

Non-Executive Directors Remuneration

Name of the Director	Sitting Fees (Rs.)
Mr. Paresh H. Patel	NIL
Mr. Himanshubhai D. Sanghavi	NIL

6. GENERAL BODY MEETING

The location and time of the last three Annual General Meetings are as under:

AGM	Date	Time	Venue
27th	30-09-2009	4.00 p.m.	4, GIDC Ind. Estate,Phase-1,Vatwa, Ahmedabad -382445.
28th	30-09-2010	4.00 p.m.	— As Above –
29th	29-06-2011	4.00 p.m.	— As Above –

During the year, No Extraordinary General Meeting was held.

7. DISCLOSURES

a. There was no transaction of material nature with the Management or with the Directors of the Company during the year

b. There was no instance of Non-compliance of any matter related to the capital markets during the last three years.

c. The Company ensures compliance of various statutory requirements by all its divisions and obtains quarterly reports in form of certificate from the head of the divisions. These certificates are placed before the Board on quarterly basis.

d. All the statutory registers that are required to be maintained, particularly Registers of contracts in which Directors have interests, Registers of Directors shareholding, Register of investments etc. maintained and continuously updated.

8. MEANS OF COMMUNICATION

The quarterly, half yearly Unaudited / Audited and Annual financial results (Audited) of the company are not submitted to the Stock Exchanges immediately after the Board meeting approved except few cases.

9. FINANCIAL CALENDAR FOR THE FINANCIAL YEAR 2011-12

Financial Period	:	1st January, 2011 to 31st March, 2012
First Quarter ended	:	31st March, 2011
Half year ended	:	30th June, 2011
Annual General Meeting For the period 2011-12	:	29th September, 2012
Date of Book Closure	:	**Not needed as record date has been fixed as 27th September,2012**
Listing on Stock Exchange	:	Ahmedabad Stock exchange and Mumbai Stock Exchange
Stock Code	:	422130 (ASE) & 513630 (BSE)

10. MARKET PRICE DATA

There was no transaction reported during the period at Ahmedabad Stock Exchange however transaction was recorded at Mumbai Stock Exchange on 18th April 2012 at Rs. 1.73 per share for 100 equity shares after order passed on 10/4/2012 for revocation of suspension of listing.

11. DISTRIBUTION OF SHAREHOLDINGS AS ON 31.03.2012

SHAREHOLDINGS	SHARE HOLDERs		TOTAL NO OF SHARES	
NOMINAL VALUERS.	NUMBERS	% OF TOTAL	IN RS.	% OF TOTAL
UPTO 500	5788	95.05	7363480	21.04
501 – 1000	156	2.56	1285050	3.67
1001-2000	56	0.92	863460	2.47
2001-3000	43	0.71	1131340	3.23
3001-4000	8	0.13	269960	0.77
4001-5000	11	0.18	535800	1.53
5001–10,000	11	0.18	842060	2.41
10,001 & ABOVE	16	0.26	22708850	64.88
TOTAL	**6089**	**100.00**	**35000000**	**100.00**

12. CATEGORIES OF SHAREHOLDERS AS ON 31.03.2012

Category			Number of Share held	% of shareholdings
A	**Promoters Holding**			
	1	Promoters		
		Indian Promoters	1704403	48.70%
		Foreign Promoters	Nil	Nil
	2	Persons acting in concert	Nil	Nil
		SUB TOTAL	1704403	48.70%
B	Non -Promoters Holding		Nil	Nil
	3	Institutional Investors	Nil	Nil
		a. Mutual Funds & UTI	Nil	Nil
		b. Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-Government Institutions)	Nil	Nil
		c. FIIS	Nil	Nil
		SUB TOTAL	Nil	Nil

4.	Others		
	a.Private Corporate Bodies	355100	10.15 %
	b.Indian Public	1440497	41.15 %
	c.NRIs / OCBs *	Nil	Nil
	d.Any Other (Please specify)	Nil	Nil
	SUB TOTAL	1795597	51.30%
	GRAND TOTAL	**3500000**	**100.00 %**

1. Total Foreign share holding is 'NIL'.

13. **SHARE TRANSFER SYSTEM**
Due to this mandatory provision, the company has appointed Sharepro Services (India) Pvt. Ltd., as it's Registrar and Transfer Agent The Address of the Registrar is as under:

Sharepro Services (India) Pvt. Ltd.,
Unit : Rajesh Malleables Ltd.
Dev Mall, 4th Floor.
Opp. Sanyas Ashram, Ellisbridge,
Ahmedabad - 380 025.

14. **DEMATERIALIZATION OF SHARES**
The Company is in communication with National Securities Depository Ltd. (NSDL) for executing triplicate agreement. As soon as the agreement is executed the shareholders will have an option to dematerialize their shares with the depository.

15. **LOCATION**
Rajesh Malleables Ltd., has plants located at the following place:
4, G.I.D.C. Industrial Estate,
Phase – 1, Vatva.
Ahmedabad – 382 445.

16. **ADDRESS FOR CORRESPONDENCE**
Investors and shareholders can correspond with the registered office of the company at the following address:
Rajesh Malleables Limited
4, G.I.D.C. Industrial Estate,
Phase – I, Vatva,
Ahmedabad – 382 445.

ANNEXURE 'B'

MANAGEMENT DISCUSSION AND ANALYSIS

1. **Overall Review**
   The overall performance during the financial year 2011-2012 has been satisfactory.

2. Financial Review
   Total turnover for the year ended 31st March, 2012 was Rs.623.92 lacs.

3. Internal Control System and their adequacy
   Considering the size of the company, your company has adequate system of internal control to provide reasonable assurance that assets are safeguarded and protected from unauthorised use or deposition.

4. Business Environment
   The performance of the company for the year under review was satisfactory

5. Risk and Concern
   The building, plant and machinery, vehicle and stocks of the Company are adequately insured.

6. Cautionary Statement
   Statements in this report on Management Disussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially from those expresses or implied. Important factors that could make a difference to the Company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in future on the basis of subsequent developments, information of events.

Place : Ahmedabad
Date : 10/08/2012

By order of the Board of Directors
For Rajesh Malleables Ltd.

Anuj R. Mehta
MANAGING DIRECTOR

CERTIFICATION BY WHOLE TIME DIRECTOR TO THE BOARD

I, Mr. Anuj R. Mehta, Managing Director of Rajesh Malleables Limited, certify that :

1. I have reviewed the financial statements for the year and that to the best of my knowledge and belief :
   a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   b. These statments give a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting Standards, applicable laws and regulations.

2. These are, to the best of our knowledge and belief,no transactions entered into by the company during the year which aref fraudulent, illegal or violative of the Company's code of conduct.

3. I accept overall responsibilty for the company's internal control system and financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adquacy and effectiveness Internal audit works with all levels of management and statutory auditors, and reports significant issues to the Audit Committee of the board. The auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies and material weakness.

4. I indicate to the auditors and to the audit committee :
   a. Significant changes in internal control over financial reporting during the year.
   b. Significant changes in accounting policies during the year.
   c. Instances of significant fruad of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

   However, during the year there were no such changes or instances.

Date : 10/08/2012
Place : AHMEDABAD

Anuj R Mehta
Managing Director

Declaration by the Chairman & Managing Director about Corporate Governance.

I, Mr. Anuj R. Mehta, Chairman & Managing Director of Rajesh Malleables Ltd. hereby confirm pursuant to clause 49 (1) (d) of the listing agreement that :

1. The board of directors of Rajesh Malleables Ltd. has laid down a code of conduct for all board members and senior management of company. The said code of cunduct has been placed on the Company's website.
2. All the members of the board as well as senior management personal have complied with the said code of condut for the year ended 31st March, 2012.

Date : 10/08/2012
Place : AHMEDABAD

Anuj R Mehta
Managing Director

AUDITOR'S REPORT

1. We have audited the attached Balance Sheet of **Rajesh Malleables Limited** as at March 31,2012, the statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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.

2. 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 statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (a) In our opinion, proper books of accounts, as required by law, have been kept by the company, so far as appears from our examination of those books;

   (a) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

   (b) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section 3C of Section 211 of the Companies Act, 1956;

   (c) On the basis of written representations received from the directors as on March 31,2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31,2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   (d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon, 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 the affairs of the Company as at March 31,2012;

   (b) in the case of the Statement of Profit and Loss Account, of the Profit for the year ended on that date and

   (c) in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Place : Ahmedabad
Date : 10th August, 2012

S.Mandawat & Co.
Chartered Accountants
Subhash K. Mandawat (Partner)
Membership No. 102708
FRN 118330W

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date on the accounts of **Rajesh Malleables Limited** for the period ended on March 31, 2012)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situations of its fixed assets other than dead stock and vehicles and details of accumulated depreciation.

   (b) As explained to us, the fixed assets have been physically verified by the management during the year. We are informed that no material discrepancies have been noticed by the management on such verification except.

   (c) In our opinion and according to the information and explanations given to us, the company has disposed off substantial part of the fixed assets including discarded assets during the period and hence the going concern concept status of the company has affected though Company already commenced other activities.

2. (a) As informed to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

   (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on physical verification of inventories as compared to the book records.

3. (a) The Company has taken unsecured loans from a director covered in the register maintained under Section 301 of the Companies Act, 1956, the maximum amount involved during the year was Rs.526655/- and period end balance was of Rs. Nil-.

   (b) In our opinion, the terms and conditions of unsecured loans taken from the companies and from a director covered in the register maintained under Section 301 of the Companies Act, 1956, are not prima facie prejudicial to the interest of the Company.

   (c) As regards the loans received the Company it has repaid all outstanding dues of secured loans, whereas in case of unsecured loans since no repayment is due, there are no irregularities noticed during the year under review.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any failure to correct any weaknesses in internal controls system of the company.

5. According to the information and explanations given to us, there is no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clause 4(v)(b) of the order is not applicable.

6. During the year under consideration the Company has not accepted any deposit hence, there is no violation of the section 58A and 58AA of the Companies Act, 1956 during the financial year 2011-12.

7. The Company has in house an internal audit system during the year.

8. The maintenance of cost records has not been prescribed by the Central Government under Section 209(1) (d) of the

Companies Act, 1956 for any products of the Company for the year under review.

9. As per the information and explanations given to us, the Company is in the process of regularizing in depositing undisputed statutory dues in respect of provident fund, family pension fund, administrative charges of provident fund, employees' state insurance, investor education and protection fund, sales-tax, tax deducted at source, professional tax, welfare fund and service tax etc. The extent of the arrears as at March 31,2012 for a year of more than six months from the date they became payable are aggregating to Rs. 3039860/- as against such arrears of Rs.3039860/-- as on December 31, 2010 .

10. According to the information and explanations given to us, there are no disputed amounts payable in respect of income-tax, wealth-tax, custom duty, service tax, excise duty and Cess in arrears, as at March 31, 2012 for a year of more than six months from the date they became payable.

11. The accumulated losses of the Company at the end of the financial period are less than net worth of the company. The net worth of the company is positive however the Company has not made cash loss during the year under review.

12. The Company has not defaulted in repayment of dues of a bank and a financial institution as the company has already arrived at settlement/ assignment with such banks and financial institution.

13. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

14. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

15. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments except long term investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

16. 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.

17. During the year, the Company has not obtained any term loan.

18. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, no funds have been raised on short-term basis from banks and financial institution during the year under review.

19. During the previous year, the Company has made preferential allotment of 5 lacs equity shares to non promoters.

20. During the year, no debentures have been issued by the Company and hence the question of creating security or charge in respect thereof does not arise.

21. During the year, the Company has not raised money by way of public issue.

22. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Ahmedabad
Date : 10th August, 2012

S.Mandawat & Co.
Chartered Accountants
Subhash K. Mandawat (Partner)
Membership No. 102708
FRN 118330W

CASH FLOW

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of Rajesh Malleables Limited for the year ended 31st March, 2012. The Statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 with Ahmedabad and Mumbai Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Accounts and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For, S.Mandawat & Co.
Chartered Accountants
Subhash K. Mandawat (Partner)
Membership No. 102708
(FRN 118330W)

Place: Ahmedabad.
Date: 10th August, 2012

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Rajesh Malleables Limited

We have examined the Compliance of conditions of Corporate Governance by Rajesh Malleables Limited for the period ended on 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us the representations made by the Directors and the management, we certify that the Company has broadly complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Company has reasonably maintained records to show investors' grievance against the company and have certified that as on 31st March, 2012, there were no investor grievance remaining unattended / pending for a period exceeding one month

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

Place: Ahmedabad
Date: 10th August,2012

S.Mandawat & Co.
Chartered Accountants

Subhash K. Mandawat (Partner)
(Membership No.102708)
(FRN 118330W)

BALANCE SHEET

AS AT 31st MARCH 2012

PARTICULARS	NOTES NO.	As at March 31,2012 Rs.	As at December 31,2010 Rs.
EQUITY AND LIABILITIES			
Sharesholder's Funds :			
Share Capital	1	35,000,000	35,000,000
Reserves & Surplus	2	166,511,168	192,798,198
		201,511,168	**227,798198**
Share Application Money Pending Allotment		0	0
Non-Current Liabilities			
Long term borrwings	3	0	123,115
Deferred Tax Liability	4	1,830,019	1,830,019
		1,830,019	1,953,134
Current Liabilities			
Short Term Brrowings	5	2,536,745	11,063,400
Trade Payables	6	2,456,516	14,744,214
Other Current Liabilities	7	3,997,963	21,348,860
Short term Provisions	8	0	0
		8,991,224	**47,156,474**
TOTAL		**212,332,411**	**276,907,806**
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	1667,149	34,652,476
Intangible Assets	9	36,000	36,000
Capital Work in Progress	9	11,028,750	5,713,264
Intangible Assest under Development	9	0	0
Non-Current Investments	10	6,100	6,100
Long Term Loans adn Advances	11	133,953	532,358
		12,871,952	**40,940,198**
Current Assets			
Current Investments	12	0	0
Inventories	13	0	34,244,268
Trade Receivables	14	10,945,348	11,890,735
Cash and Bank Balance	15	3,403,329	1,500,533
Short Term Loans and Advances	16	520,775	188,595
Other Current Assets	17	0	110,966
		14,869,452	**47,935,097**
Profit & Loss Account			
Debit Balance of Profit & Loss Account		184,591,007	188,032,511
TOTAL		**212,332,411**	**276,907,806**
Significant Accounting Policies	28		
Notes forming part of Account	29		

The accompanying notes are an integral Part of the financial statement.

As per attached report of even date
S.MANDAWAT & CO
Chartered Accountants

SUBHASH K. MADAWAT (Partner)
(MEMBERSHIP NO.102708)
(FRN 118330W)
PLACE : AHMEDABAD
DATE : 10th August, 2012.

ANUJ R. MEHTA - MANAGING DIRECTOR

HIMANSHU D SANGHVI - DIRECTOR

PLACE : AHMEDABAD
DATE : 10th August, 2012.

Rajesh Malleables Limited

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

PARTICULARS	NOTES NO.	2011-12 (15 Months)	2010-11 (9 Months)
CONTINUING OPERATIONS			
Revenue from operations / discontined Operations (Gross)	18	62,614,478	31,265,377
Less : Excise Duty	18	221,616	2,487,852
Revenue from operations (Net)		62,392,862	28,777,525
Other Income	19	55,925.	17,775
TOTAL REVENUE		62,448,787	28,795,300
EXPENDITURE			
Cost of Material Consumed	20	343,805	11,270,246
Purchages of Stock - in - Trade	21	4,326,721	27,050,000
Changes in inventories of Finished Goods, Stock-inProcess and Stock-in- Trade	22	31,871,495	(21,491,100)
Employee Benefits Expenses	23	6,235,430	1,051,716
Finance Cost	24	342,042	98,912
Depreciation and Amortisation Expenses	25	0	347,351
Manufacturing and other expenses	26	6,681,982	13,603,406
TOTAL EXPENDITURE		49,801,475	31,930,531
(Loss) Profit/Loss before Prior period adjustments		12,647,312	(3,135,231)
Prior period ajustments	27	9,205,808	(12,424,733)
Profit before Exceptional and Extra Ordinary items and taxes		3,441,504	9,289,502
Exceptional Items		0	0
Profit before extra ordinary items and tax		3,441,504	9,298,502
Extra ordinary Items		0	0
Profit before Tax		3,441,504	9,298,502
Tax Expenses		0	0
Profit for the year from continuing operations		**3,441,504**	**9,289,502**
Profit for the year		**3,441,504**	**9,289,502**
Less : (Loss) brought forward from Earlier Years		(188,032,511)	(197,322,013)
Debit Balance carried to the Balance Sheet		**(184,591,007)**	**(188,032,511)**
EARNING PER SHARE (See Note No.14 of Schedule 29)			
PROFIT FOR THE PERIOD		3,441,504	9,289,502
No. of Subscribed Shares		3,500,000	3,500,000
Nominal Value of shares (Rs.)		10/-	10/-
Basic & Diluted EPS (Rs.)		0.98	2.65
Significant Accounting Policies	28		
Notes forming part of Account	29		

The accompanying notes are an integral part of the financial statments.

As per attached report of even date
S.MANDAWAT & CO
Chartered Accountants

SUBHASH K. MADAWAT (Partner)
(MEMBERSHIP NO.102708)
(FRN 118330W)
PLACE : AHMEDABAD
DATE : 10th August, 2012.

ANUJ R. MEHTA - MANAGING DIRECTOR

HIMANSHU D SANGHVI - DIRECTOR

PLACE : AHMEDABAD
DATE : 10th August, 2012.

SCHEDULES

CASH FLOW STATEMENT FOR THE 15 MONTHS PERIOD FROM 1ST JANUARY 2011 TO 31ST MARCH 2012

		2011-2012 (15 Months)	2010-2011 (9 Months)
A..	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit/(LOSS) As per Profit & Loss Account before Tax	3,441,504	9,289,502
	ADJUSTMENTS FOR :		
	Depreciation	0	3,47,351
	Prior Period Expenses	9205808	0.00
	Interest Charges	342,042	98,912
	Loss on Settlement of Advances	66,900,000	0
	Share issue exps w/off	110966	0
	Profit on sale of investments	(50000)	0
	Profit/Loss on Sales of Assets	(118,470,975)	359,546
	OPERATING (LOSS) PROFIT BEFORE WORKING CAPITAL CHANGES :	(38,520,655)	10,095,311
	ADJUSTMENT FOR :		
	Trade Receivable (Sundry debtors-Provision of Doubtful debts) NET	945,387	17,078,071
	Other Receivable (Loans & Advances-Provision for Doubtful Advances) NET	66,225	44,661
	Inventories	34,244,268	(19,651,649)
	Trade Payable	(11,221,380)	(38,586,629)
	CASH GENERATED FROM OPERATIONS :	(84,997,915)	(31,020,235)
	Interest Paid	(342,042)	(98,912)
	CASHFLOW FROM OPERATING ACTIVITIES : TOTAL A	(85,339,957)	(31,119,147)
B.	**CASHFLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets & Investments	0	(172,924)
	Sale of Fixed Assets & Investments (Net of Advances return)	107,360,273	383,103
	Sale of Investments	50000	0
	Capital Work-in-Progress	(11,028,750)	(1,485,729)
	NET CASHFLOW FROM INVESTMENTS ACTIVITIES : TOTAL B	96,381,523	(1,275,550)
C.	**CASHFLOW FROM FINANCING ACTIVITIES :**		
	Repayment of Loans	(9,138,770)	(89,613,567)
	Share Capital-New with premium & call in arrears	0	1,22,501,500
	Share Issue Expenses	0	(110966)
	NET CASH FLOW FROM FINANCING ACTIVITIES TOTAL C	(9,138,770)	32,776,967
	NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)	1,902,796	382,270
	CASH AND CASH EQUIVALENTS (OPENING BALANCE)	1,500,533	1,118,263
	CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	3,403,329	1,500,533

Note: 1. The figures for the current period for 15 months i.e. from January1,2011 to March 31, 2012
2. Previous Period Figures are re-grouped whenever necessary.

As per attached report of even date

S.MANDAWAT & CO
Chartered Accountants
SUBHASH K. MADAWAT (Partner)
(MEMBERSHIP NO.102708)
(FRN 118330W)

PLACE : AHMEDABAD
DATE : 10th August, 2012

ANUJ R. MEHTA - MANAGING DIRECTOR
HIMANSHUBAHI D. SANGHAVI - DIRECTOR

PLACE : AHMEDABAD
DATE : 10th August, 2012

		31-03-2012	31-12-2010
1.	**Share Capital**		
	Authorised Share Capital :		
	60,00,000 (Previous Year 60,00,000)	60,000,000	60,000,000
	Equity Shares of Rs. 10/- each	60,000,000	60,000,000
	Issued, Subscribed and Paid up		
	35,00,000 (Previous year 35,00,000) Equity shares of Rs.10/- each fully paid	35,000,000	35,000,000
	TOTAL	**35,000,000**	**35,000,000**

1.1 5,00,000 Equity Shares were issued during previous financial years.

1.2 The details of sharesholders holding more than 5% share :

Particulars	31-03-2012		31-12-2010	
Name of the Shareholder	**No of Share**	**% Held**	**No of Share**	**% Held**
Ramprasad Investments & Traders Pvt. Ltd.	318704	9.11	318704	9.11
Evergreen Mfg. and Marketing Pvt. Ltd.	600000	17.14	600000	17.14
Archman Exim Pvt. Ltd.	390000	11.14	390000	11.14
Rampion Eyetech Pvt. Ltd.	310097	8.86	310097	8.86
Vijay Steel Tubes and Fittings Pvt. Ltd.	280500	8.01	280500	8.01

1.3 The Reconcilliation of the number of Shres outstanding is set out below :

Particualrs	31-03-2012	31-12-2010
Equity shares at the beginning of the year	3500000	3000000
Add: New shares issued	0	500000
Less: Shares cancelled or buy back during the year	0	0
Equity shares at the end of the year	3,500,000	3,500,000

2	**RESERVES & SURPLUS**		
	Capital Reserve		
	Balance are per last Balance Sheet	47,420,043	11,147,070
	Add : Addition during the year	0	36,272,973
		47,420,043	47,420043
	Security Premium Reserve		
	Balance as per last Balance Sheet	117,500,000	117,500,000
	Revaluation Reserve		
	Balance as per last Balance Sheet	27,878,155	28,294,806
	Less :		
	Adjustment on Sale of Assets/Discarded of Fixed Assets	26,287,030	0
	Less : Transferred to Profit & Loss Account being the difference of depreciation on revalued cost and original cost	0	416,651
		1,591,125	27,878,155
	TOTAL	**166,511,168**	**192,798,198**

		31-03-2012 Rs.	31-12-2010 Rs.
3	**LONG TERM BORROWINGS**		
	Secured Loans		
	Bank of Baroda since assigned to assignee/under assignment	0	123,115
	TOTAL	**0**	**123,115**
4	**DEFERRED TAX LIABILITY (Net)**		
	Defered Tax Liability	1,830,019	1,830,019
	TOTAL	**1,830,019**	**1,830,019**
5	**SHORT-TERM BORROWINGS**		
	Unseured Loans		
	From Others	2,536,745	2,536,745
	From Director	-	526,655
	From Dealers	-	8,000,000
	TOTAL	**2,536,745**	**11,063,400**

Note : Repayment of unsecured loan term not specified i.e. shown as short term borrowings

6	**TRADE PAYABLES**		
	Acceptances	0	489,000
	Others	2,456,516	14,255,214
	TOTAL	**2,456,516**	**14,744,214**
7	**OTHER CURRENT LIABILITIES**		
	Other's Payable*	3,997,963	21,348,860
	TOTAL	**3,997,963**	**21,348,860**

* Includes statutory dues and advance for sales of assets

8	**Short Term Provisions**		
	Provision for Gratuity	0	0
	Total	0	0

Rajesh Malleables Limited

Notes on Financial Statements for the year ended 31st March, 2012

9. FIXED ASSETS

GROSS BLOCK (Cost/Revaled)				Depreciation					Net Block	
Sr. Particulars	As on 1-1-2011	Additions	Sale/ Adjust Discarded	As on 31-3-2012	Depreciation Upto 1-1-2011	Sale/ Adjustment/ Discarded	Depreciation for the period 15 months	Depreciation Upto 31-3-2012	As at 31-3-2012	As at 31-12-2010
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS :										
OWA ASSETS :										
Freehold Land	24,560,005	-	22,960,575	1,599,430	-	-	-	-	1,599,430	24,560,005
Building	14,438,361	-	14,438,361	-	6,025,069	6,025,069	-	-	-	8,413,292
Plant & Machinery	39,545,662	-	39,545,662	-	3,850,3018	3,850,3018	-	-	-	1,042,644
Dead Stock	2,793,447	-	2,630,328	163,119	2,156,912	2,061,512	-	95,400	67,719	636,535
TOTAL(A)	81,337,475	-	79,574,926	1,762,549	46,684,999	46,589,599	-	95,400	1,667,149	34,652,476
INTANGIBLE ASSTES	36,000	-	-	36,000	-	-	-	-	36,000	36,000
TOTAL (B)	36,000	-	-	36,000	-	-	-	-	36,000	36,000
TOTAL(A+B)	81,373,475	-	79,574,926	1,798,549	46,684,999	46,589,599	-	95,400	1,703,149	34,688,476
As on 31-12-2010	86,146,876	172,924	1,004,060	85,315,740	50,124,574	261,411	764,002	50,627,265	34,688,476	-
Capital Work in Progress	5,713,264	11,028,750	5,713,264	11,028,750	-	-	-	-	11,028,750	5,713,264
Intangible Asstes Under	-	-	-	-	-	-	-	-	-	-

Note : 1. In the year 1993-94, land, factory building and Plant & machinery as on 31 03.1994 had been revalued on the basis of their market value as on 31.03.1994 as per revaluation made by an approved valuer. Accordingly they are stated at revalued amounts. The resultant increase had been credited to the Revaluation Reserve.

10	**Non-Current Investments**		
	In Equity Shares of Subsidiary Companies-		
	Unquoted, fully paid up		
	Nil (Previous Year 10000) Equity Shares of Ramprasad Investments & Traders Pvt. Ltd. Rs.100/- each fully paid up *	0	0
	Less: Provision for Diminition fo Value	0	0
		0	0
	Investment in other Company :		
	2500 (Previous Year 2500) Shares of Evergreen Manufacturing & Markeing Pvt. Ltd. of Rs.10/- each fully paid-up	0	0
	Less: Provision for Dimintion of Valve	0	0
		0	0
	10 (Previous Year 10) Shares of Adarsh Co-Op. Departmental Stores Ltd. of Rs.100/- each fully paid	1,000	1,000
	1 Shares (Previous Year 4 Shares) of Vijay Co-op. Bank Ltd. of Rs. 100/- (Previous Year Rs.25/-) each fully paid-up.	100	100
	50 (Previous year 50) Shares of The Green Enviomment Ser. Co-op Soc. Ltd. of Rs.100/- each Fully paid-up	5,000	5,000
	TOTAL	**6,100**	**6,100**
	10.1: * Shares Investments sold in Rs.50000/-		
11.	**Long Term Loans and Advances**		
	(Unsecured and Considered Good)		
	Deposits with Related Parties	0	0
	Loans and Advances to Related Parties	103,620	91,620
	Advance Income Tax	30,333	27,963
	Other Loans and advances	0	412,775
TOTAL		**133,953**	**532,358**

Note: Include from companies under the same Management from Evergreen Mfg. & Marketing Pvt. Ltd. Rs. 103620/-

12.	Current Investments		
		0	0
	TOTAL	**0**	**0**

			31-03-2012 Rs.	31-12-2010 Rs.
13.	**INVENTORIES**			
	(As Certified by Management of the company)			
	Raw Materials		0	2,056,130
	Process Stock		0	1,657,901
	Finished Goods		0	3,163,594
	Store & Spare-parts		0	283,007
	Fuel		0	33,636
	Traded Goods		0	27,050,000
	TOTAL		**0**	**34,244,268**
14.	**TRADE RECEIVABLES**			
	Unsecured Considered Good			
	Due Over Six Months		8,449,871	11,620,497
	Others		2,495,477	270,238
	Connsidered Doubtiful	8,216,506		8,216,506
	Less: Provision for Doubtiful debt	8,216,506		8,216,506
			0	0
	TOTAL		**10,945,348**	**11,890,735**
	Note : Debts shown as doubtful include from companies under the same Management :			
	Ramprasad Investments & Traders Pvt. Ltd.		1,565,399	1,565,399
	R. M. Enterprises Ltd.		39,087	39,087
15	**CASH AND BANK BALANCE**			
	Balances with Banks in current accounts		3,068,535	263,496
	Cash on hand (As authenticated by management)		334,794	1,237,037
	TOTAL		**3,403,329**	**1,500,533**
16	**SHORT TERM LOANS AND ADVANCES**			
	Unsecured and Considered Good :			
	Loans and Advances to Related Parties		0	0
	Balance with Customes, Central Excise Authorities		120,775	45,225
	Deposites	5,000		5,000
	Less Provision for doubtful	5,000		5,000
			0	0
	Others		400000	143370
	TOTAL		**520,775**	**188,595**
17	**OTHER CURRENT ASSETS**			
	Share Issue Expenses		110966	110966
	(to the extent not written off adjusted)			
	less : Written off during the year		110,996	0
	TOTAL		**0**	**110,966**

Notes Forming Part of Accounts

	PARTICULARS			2011-12 Jan 11 to Mar 12 Rs. [15 Months]	2010-11 Apr to Dec 10 Rs. [9 Months]
18.	**REVENUE FROM OPERATIONS**				
		QUANTITY			
	Sales of Products	**2011-12**	**2010-11**		
	Pipe Fittings Sales (Pcs)	200,621	681,708	2,199200	23,925,783
	Un Process Stock Sales (Kgs)	14,970	0	898,200	0
	Discarded Assets Sales (Kgs)	---	166,010	0	2,531,902
	Other Misc. Sales	---	---	475,000	0
	Other Trading Sales (Nos)	16,891	0	13,090,135	0
	Intangible Assets Sale	---	---	0	4,807,692
				16,662,535	**31,265,377**
	Less: Excise Duty Recovered			221,616	2,487,852
	TOTAL			**16,440,919**	**28,777,525**
	REVENUE FROM DISCONTINUING OPERATIONS				
	Gain on disposed Assets/Discarded//Unviable			118,470,975	0
	Loss on Capital work in Progress			(5,619,032)	0
	Loss onn Settlement of Advances			(66900000)	0
	Total			**45,951,943**	**0**
	Grand Total			**62,392,862**	**28,777,525**
19	**OTHER INCOME**				
	From Interest			5,925	17,775
	From Profit on Sale of Investments			50,000	0
	TOTAL			**55,925**	**17,775**
	Note : On sales of Subsidiary Company shares in Rs.50000/-				
20	**COST OF RAW MATERIALS CONSUMED**				
		QUANTITY			
		2011-12	2010-11		
	Scrap/Pig Iron (MT)	4,690	297,189	337,549	8,864,410
	Zinc (MT)	0.046	18,462	6,256	2,405,836
	TOTAL			**343,805**	**11,270,246**
	NOTE : The consumption of raw meterial is indigenus				
21	**PURCHASE OF STOCK - IN TRADE**				
	G I Pipe Traded (Nos)	2,186	0	1,966,721	0
	Traded Stock (Nos)	1,180	13,525	2,360,000	27,050,000
	TOTAL			**4,326,721**	**27,050,000**

22	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE**		
	CLOSING STOCK		
	Finished Goods	0	3,163,594
	Stock-in-Process	0	1,657,901
	Traded Goods-Finished	0	27,050,000
		0	31,871,495
	LESS : OPENING STOCK		
	Finished goods	3,163,594	4,142,245
	Stock-in-Process	1,657,901	5,193,935
	Traded Goods-Finished	27,050,000	0
	Discarded Assets	0	1,044,215
		31,871,495	10,380,395
	NET DECREASE/(INCREASE)	**31,871,495**	**(21491100)**
23	**EMPLOYEE BENEFITS EXPENNSES**		
	Salaries, Wages & Bonus	1,014,507	315,675
	Gratuity Exps*	4,215,634	660,000
	Staff Welfare Expenses	1,005289	76,041
	TOTAL	**6,235,430**	**1,051,716**
	Note : Settlement of Worker cases and paid the Gratuity amount		
24	**FINANCE COST**		
	Interest Expenses*	342,042	98,912
	TOTAL	**342,042**	**98,912**
	Note : Interest paid on statutory payment made during the year		
25	**DEPRECIATION AND AMORTISATION EXPENSES**		
	Depreciation	0	764002
	Less: Transferred from Revaluation Reserve	0	41,6651
	TOTAL	**0**	**347351**
26	**OTHER EXPENSES**		
	Manufacturing Expenses :		
	Stores & Spare Parts consumed	315,746	2,196,592
	Power & Fuel	588,326	5,143,394
	Job Work Charges	10,261	3,149,428
	Labour Charges	2062	67134
	Repairs to Building	0	69,919
	Repairs to Machinery	0	597,220
	Repairs to Others	6,145	19,234
	Excise Duty*	(295,422)	(73,387)
	TOTAL (A)	**627,118**	**11,169,534**
	Selling and Distribution Expenses :		
	Telephone, Trunk call expenses	45,101	79,654
	Postage, Telegram, Stetionary, Printing & advertisement Exp.	45,873	55,922
	Sales Promotion Exps	16,500	24,880
	TOTAL (B)	**107,474**	**160,456**

	Particulars	2011-12	2010-11
	Establishment Expenses :		
	Rates & Taxes	162,913	251,081
	Insurance	0	17,896
	Professional Charge	1,702,853	252,987
	Travelling Expenses	1,490,262	502,215
	Listing Fees	110,120	16,725
	Stock Exchange Revocation Fees	681,623	0
	General Expenses	1,286,653	797,966
	Loss on sale/Discarded of Assets	0	359,546
	Share Issue Expenses written off	110,966	0
	Arbitrator Fess	180,000	0
	Stamp charges	122500	0
	Payment to Auditors (Audit Fees)	99,500	75,000
	TOTAL (C)	**5,947,390**	**2,273,416**
	TOTAL OF OTHER EXPENSES (A+B+C)	**6,681,982**	**13,603,406**

Note : Excise duty difference between excise duty on opening stock and closing stock of finished goods

27	**Prior period Adjustments**		
	Income	0	12,284,879
	Settlement of liabilities	0	145,696
	Excess Provisions wrriten back	**0**	**12430575**
	Expenditure		
	Previous Year Exps	149,885	5,842
	Settlement of liabilities	9,055,923	0
		9205808	5,842
	Net Prior period Expenses (Income)	**9205808**	**(12424733)**

Note: Payment made to suppliers towards full & Final Settlement of o/s dues which was previously written off.

28 SIGNIFICANT ACCOUNTING POLICIES

1. **ACCOUNTING CONVENTION**

The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued in earlier year, in accordance with the generally accepted accounting principles and the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

2. **SALES**

Sale is net of cash discount and Special Turnover discount.

3. **FIXED ASSETS**

a. Fixed Assets are stated at historical cost except as mention as below in Para 3(b).

b. The Company had revalued the Land, Factory Building and Plant & Machinery on 31.03.1994 on the basis of their market value as on that date as per an Approved Valuer. Hence, these assets are stated at revalued amounts from 31.03.1994. The resultant increase on account of revaluation had been credited to Revaluation Reserve.

4. **DEPRECIATION**

Depreciation has not been provided as the manufacturing activity temporarily suspended during year review.

5. **INVESTMENTS**

Investments being long term are stated at cost.

6. **INVENTORIES**

As informed by the company, there are no inventories as on 31st March 2012.

7. **RETIREMENT BENEFITS**

The Company does not have a separate trust for Gratuity Fund since 2001. Thereafter the company has made payment for its accrued liability of gratuity during the previous year. The Company accounts for the same on cash basis.

8. **CENVAT CREDIT**

Cenvat Credit of excise duty is accounted on accrual basis on purchase of materials.

9. **MISCELLANEOUS EXPENDITURE**

During the year under review, the company has written off full amount of share issue expenses.

10. **PRIOR PERIOD ADJUSTMENTS**

Material items of Prior period expenses/income are disclosed separately.

11. **PROVISION FOR CURRENT AND DEFERRED TAX**

Provision for Current Tax is made after taking into consideration benefits admissible under the provision of the Income-tax Act 1961. Deferred tax is recognized for all timing differences; being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The carrying amount of deferred tax asset/liability is reviewed at each Balance Sheet date and consequential adjustments are carried out.

12. **BORROWING COST**

Interests and other costs in connection with borrowing of funds by the company are recognized as expenses in the period in which they are incurred.

13. **CONTINGENT LIABILITIES**

The Contingent Liabilities are disclosed by way of notes.

29. NOTES ON ACCOUNTS:

1. Figures in the financial statement of Profit & Loss Account for the current period are for 15 months i.e. from 1st January, 2011 to 31st March, 2012 and hence the same are not comparable with the figures of the previous year which were for 9 months. The figures have been regrouped, wherever necessary, so as to make them comparable.

2. On account of erosion in net worth as on 30-09-1998, the Company made a reference to the Board for Industrial and Financial Reconstruction (BIFR) and the Company was declared a Sick Industrial Company within the meaning of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985. The rehabilitation Scheme sanctioned by AAIFR

was under implementation, however on account of need for modification in sanctioned scheme, the Company submitted modified Rehabilitation Scheme to OA which was duly recommended by OA to BIFR. The BIFR advised for certain modification in the scheme submitted by OA which were under correction by OA. In the meantime, with a view to early implementation the modified rehabilitation scheme, the company had issued new equity shares of face value of Rs. 10/- each at a premium of Rs. 235/- per equity shares to investor / co promoter and their associates. Moreover to present and true and fair view of financial statements, the Company has write off / written back the secured / unsecured lenders/ creditors whose dues have been settled / crystallized and / or paid or such crystallized amount is unpaid. As a result, the net worth of the Company became positive and the Company filed Misc Application for deregistration of the case form BIFR. Honourable BIFR de registered the case of the company on 02/02/2011 after satisfying itself on all aspects.

3. On account of switching of customer preference from GI/ CI pipe fitting to PVC/CPVC pipe fitting, the existing technology / machineries became redundant and obsolete for long term viability of the Company. Besides that, the continuation of operation within the city limits was also became difficult. Therefore the management put up the said facts in front of shareholders and shareholders passed special resolution under section 293 of the companies Act 1956 in Extra Ordinary General Meeting for disposal / sale / discard of major assets including plant and machineries. As a result, the Company discarded / dismantled / sold such assets. The amount received from sale of scrap and such assets is utilized in settlement of dues of secured / unsecured creditors. During the year, the company has given advances for purchase of land at new location for implementation of new viable project.
4. With a view to improve bottom line, the Company had entered in Joint Venture Agreement with M/s Health Care Centre and Gym and the company had invested Rs. 735 lakh in the said joint venture as against total committed amount of Rs. 1500 lakh. The company could not pay the committed amount as per JV agreement and referred the matter to Arbitrator for recovery of invested amount. The Arbitral Tribunal has declared an award that the JV Partner will return back 100% principal amount of Rs. 735 lakh without any deduction in 6 equal yearly installments commencing from 28/03/2022.
5. To meet the acute cash crunch, the Company has assigned / sold the award amount to M/s RR associates after applying prevalent discount rate and the difference between assigned amount and Net Present Value (NPV) has been charged to Profit and Loss Account for the year under review.
6. The Company has sent letters for Confirmation of balances to parties, unsecured loans, sundry debtors, loans and advances, bank balances and current liabilities for amounts due to them/from them. Necessary adjustments, in accounts, if any, will be made on settlement of accounts.
7. The Information regarding small scale industrial undertakings' dues are under compilation and such details can't be readily determined. Under the circumstances, the same have not been disclosed.
8. The company is process of appointment of qualified company secretary though due publicity has been given for such appointment.
9. The company has not paid any Remuneration to the Managing Director during the year (previous year Rs Nil).
10. Prior period Items as shown in the Profit & Loss Account are as under:

Particulars	2011-12	2010-11
Income		
Settlement of liabilities	-	12,284,879
Job Work charges	-	5000
Excess provision written back	-	145696
Total of Income	**0**	**12435575**
Expenses		
Telephone & Mobile Exps	-	10842
Professional Charges	7500	-
Import Duty	142385	-
Settlement of liabilities	9055923	-
Total of Expenses	**9205808**	**10842**
Previous Year (Exps)/Income	**(9205808)**	**12424733**

11. Contingent Liabilities

The Company has duly paid principal undisputed dues of all statutory authorities however on account of delayed payments liabilities may arise with respect to Provident Fund, Gratuity, Employees State Insurance (ESIC), Sales Tax, Excise Department, Director General of Foreign Trade, workers of the company, Liabilities, if any, arises in future will be accounted for upon crystallization of such liabilities.

12. Segment Reporting

Presently, the company has one operational segment namely Pipe fitting, therefore no separate segment reporting has been made during the year under review.

13. Related Party Disclosures:

The Company entered into related party transactions during the year with the subsidiary/associates company and key management personnel. The details of transactions are mentioned below:

Particulars	Associate Company/Firm Amount Rs.
Sales & Service	2981527
Purchase/Expenses	1966721
Receivables(Balance)	6988807
Payables(Balance)	Nil

14. Earning Per Share

	Current Year	Previous Yea
(Loss)/Profit for the year before exceptional item	1,26,47,312	(31,35,231)
Profit/(Loss) after exceptional item/prior period and tax	34,41,504	92,89,502
No. of Subscribed Shares	3500000	3500000
Nominal Value of Shares (Rs.)	10/-	10/-
Earning per share before exceptional/prior period & tax item (Rs.)	3.61	(0.90)
Earning per share after exceptional/prior period & tax item (Rs.)	0.98	2.65

15. Deferred Tax

Since the Company has been incurring losses year after year and not earned any profit since 2005-06 hence the company has not considered Deferred Tax asset as provided in Accounting Standard 22 "Accounting for Taxes on Income".

16. Information pursuant to the provision of paragraph 3,4C & 4D of part-II of Schedule VI of the Companies Act, 1956:

(A) TURNOVER 2010-2011

Particulars	QUANTITY	RS.	QUANTITY	RS.
MANUFACTURED GOODS				
Pipe Fittings Pcs	2,00,621	21,99,200	6,81,708	2,39,25,783
Un Process Stock Sales (Kgs)	14,970	8,98,200	'---	'---
Trade Mark Sales	---	'---	---	48,07,692
Other Trading Sales (Nos)	16,891	1,30,90,135	'---	'---
Other Misc. Sales	'---	4,75,000	'---	'---
Discarded Machinery (Scrap) Sales - Kgs	'---	'---	166010	25,31,902

(B) Production, Stock

i) Installed Capacity of the company not disclosed due to discontinuing of manufacturing activity of the company.

Finished Goods

ii) Production:				
Pip Fittings pcs	1,10,249	674697		
iii) Opening Stock:				
Pipe Fittings-Manufactured Goods - pcs	90372	31,63,594	97,383	41,42,245
Traded Goods - Nos	13525	2,70,50,000	Nil	Nil
v) Closing Stock:			**2010-2011**	
Pipe Fittings-Manufactured Goods - pcs	Nil	Nil	90372	31,63,594
Traded Goods- Nos	Nil	Nil	13525	2,70,50,000
(d) Expenditure in Foreign Currency				
Travelling Expenses	Nil	NIL		
(e) Earning in Foreign Exchange				
F.O.B. Value of Export	Nil	NIL		

(18) Balance Sheet Abstract and Company's General Business Profile

(Amount in Rupees Thousand)

a. Registration Details

Registration NO. : 4593 State Code : 04

Balance Sheet Date : 31st March, 2012

b. Capital Raised during the year

Public Issue :	NIL	Public Issue :	NIL
Bonus Issue :	NIL	Private Issue:	NIL

c. Position of Mobilisation and Development Funds

Total of Equity & Liabilities :	212332	Assets	212332

SOURCE OF FUNDS

Paid-up-capital :	35000	Reserves & Surplus:	166511
Long term Borrowings	0	Shortterm Borrowings	2537
Deferred Tax Liability (Net) :	1830	Trade Payables	2484
Other current liabilities	3970		

APPLICATION OF FUNDS

Net Fixed Assets :	12731	Investments :	6
Long term loans and advances	133	Current Assets	14870
Accumulated losses :	184591		

d. Performance of Company

Total Turnover :	16497	Total Expenditure :	12870
Profit For The Year (Before Tax) :	3627		
Dividend :	NIL	Earning Per share :	1.04

e. Generic Names of Principal Products services of the Company:

Product Description	Item Code NO.(ITC Code)
Pipe Fittings of Iron	73079210

Signatures to Schedules 1 to 29
As per attached report of even date.

S.MANDAWAT & CO
Chartered Accountants

SUBHAS K. MANDAWAT
(MEMBERSHIP NO.102708)
(FRN 118330W
Place: AHMEDABAD
Date : 10th August, 2012

ANUJ R MEHTA-MANAGING DIRECTOR

HIMANSHU D SANGHAVI-DIRECTOR

Place: Ahmedabad
Date : 10th August,2012

PROXY FORM

Folio No.	Share held

RAJESH MALLEABLES LIMITED
4, G.I.D.C. Industrial Estate,
Phase-I, Vatva, Ahmedabad-382445.

I/We of

in the district of being a member/members of the above named

Company hereby appoint Mr. of

or failing him Mr.

of as my/our proxy to vote for me/us on

my/our behalf, at the 30th Annual General Meeting of the Company to be held on the 29th Sept. 2012 day

of and at any adjournment thereof.

Signed by the said

Affix a 1 Re. Revenue Stamp

Day of

NOTE : A proxy in order to be valid should be lodged at the Registered Office of the Company before 48 hours of the Annual General Meeting.

RAJESH MALLEABLES LIMITED
4, G.I.D.C. Industrial Estate, Phase-I, Vatva, Ahmedabad-382445.
ENTRANCE PASS

To be presented at the entrance,

Annual General Meeting 4-30 P.M. Saturday, 29th Sept. 2012

Only Shareholders / proxies / representative are allowed to attend the meeting.

Folio No. No. of Shares

Name of Shareholders / Proxy

Signature of the Shareholder / Proxy

NOTES : :

1. Members/proxy holders are requested to bring their copies of the Annual General with them at the meeting.
2. Please cary with you this Attendance Slip and hand over the same duly signed at the space provided at the entrance of the Meeting.

BOOK POST

If undelivered please return to :

RAJESH MALLEABLES LIMITED

(UNIT :- R.M. Engineering Works)

4, G.I.D.C. Industrial Estate, Phase - I,

Vatva, Ahmedabad - 382 445.

Rajesh Malleables Limited