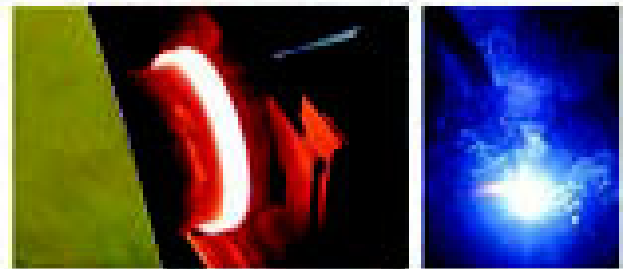
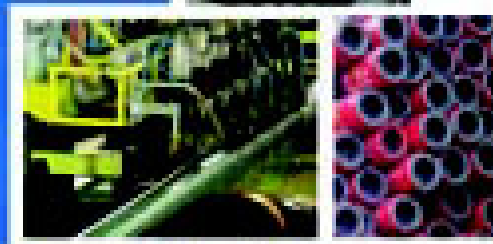
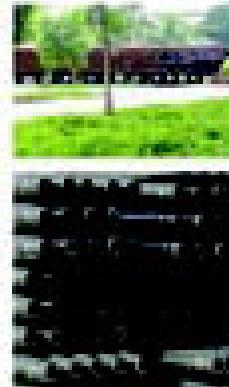


# Twenty Sixth Annual Report

## 2011-2012



ISO 9001:2008 COMPANY



**Oil Country Tubular Ltd.**  
INDIA



<b>BOARD OF DIRECTORS</b>	Mr. K Suryanarayana Mr. Sridhar Kamineni Mr. K G Joshi Dr. T S Sethurathnam Dr. N S Datar Mr. K V Ravindra Reddy Datuk Syed Hisham Bin Syed Wazir Mr. AP Vitthal	Chairman Managing Director Director (Technical) Director Director (upto 21.12.2011) Director Director Additional Director
<b>COMPANY SECRETARY</b>	Mr.C S Rao	
<b>REGISTERED OFFICE</b>	"Kamineni", 3 <sup>rd</sup> Floor King Koti Hyderabad - 500 001 (A.P) Phone No: 040 - 24785555 Website : <a href="http://www.octlindia.com">www.octlindia.com</a> Email : <a href="mailto:demat@octlindia.com">demat@octlindia.com</a>	
<b>BANKERS</b>	Allahabad Bank Bank of India Bank of Bahrain & Kuwait B.S.C. Canara Bank Indian Overseas Bank State Bank of Hyderabad Standard Chartered Bank	
<b>AUDITORS</b>	C K S Associates Chartered Accountants # 87 Nagarjuna, Road No: 3 Gagan Mahal Colony Hyderabad - 500 029 (A.P)	
<b>WORKS</b>	Shreepuram Narketpally Mandalam Nalgonda Dist - 508 254 (A.P.)	
<b>REGISTRARS &amp; SHARE TRANSFER AGENTS</b>	XL Softech Systems Limited 3, Sagar Society, Road No. 2, Banjara Hills Hyderabad - 500 034 Phone No: 040 - 23545913 Email: <a href="mailto:xlfield@rediffmail.com">xlfield@rediffmail.com</a>	

## NOTICE TO MEMBERS



Notice is hereby given that Twenty Sixth Annual General Meeting of Oil Country Tubular Limited will be held on Thursday, the 31<sup>st</sup> day of May 2012 at 10.00 A.M. at Taj Mahal Hotel, 2nd Floor, Akshaya Hall, 4-1-999, Abids Road, Hyderabad - 500 001 to transact the following business.

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2012 and Balance Sheet as at that date together with Directors' Report and Auditors' Report thereon.
- 2) To declare a Dividend on Equity Shares.
- 3) To appoint a Director in place of Dr. T S Sethurathnam who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint a Director in place of Mr. K V Ravindra Reddy who retires by rotation and being eligible offers himself for reappointment
- 5) To consider and if thought fit, to pass with or without modifications, the following Resolution as an ORDINARY RESOLUTION:

"Resolved that, the retiring Auditors, M/s C K S Associates, Chartered Accountants, Hyderabad be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors".

### SPECIAL BUSINESS:

- 6) To consider and if thought fit, to pass with or without modification the following Resolution as Ordinary Resolution.

"Resolved that Mr. A P Vitthal who was appointed as Additional Director of the company by the Board of Directors and who ceases to hold office at conclusion of this Annual General Meeting and in respect of which the company has received a notice in writing along with Deposit of ₹ 500/- ( Rupees Five Hundred only) under section 257 of Companies Act, 1956 from a member proposing his candidature for the office of the Director be and is hereby appointed as Director of the Company whose period of office shall be liable to be determined by retirement of Directors by rotation".

- 7) To consider and if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution.

"Resolved that Pursuant to Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 and all other enabling provisions, if any, and in supersession of the Ordinary Resolution passed at the Extra Ordinary General Meeting of the Company held on 21<sup>st</sup> Day of November, 1991, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of monies in any manner from time to time with or without security and upon such terms and conditions as they may think fit, notwithstanding that monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the Ordinary course of business) may exceed the aggregate of the Paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of ₹1000 Crores (Rupees One Thousand Crores only)."

### Regd. Office :

"Kamineni", 3<sup>rd</sup> Floor  
King Koti  
Hyderabad - 500 001 (A.P)  
April 26<sup>th</sup> 2012

**By Order of the Board of Directors**

**C S Rao**  
**Company Secretary**



### Notes:

- 1) A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself. A Proxy need not be a member of the Company instrument of proxies in order to be effective must be received by the Company not less than 48 hours before the time for holding the meeting.
- 2) The Register of Members and Transfer Books of the Company will be closed from 28<sup>th</sup> May, 2012 to 31<sup>st</sup> May, 2012 (both days inclusive).
- 3) The Dividend, if declared at the Annual General Meeting, will be paid on or after 31<sup>st</sup> May, 2012 to those persons or their mandates:
  - a) Whose names appear as Beneficial Owners as at the end of the business hours on 26<sup>th</sup> May, 2012 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
  - b) Whose names appear as member in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / its Registrar and Transfer Agents on or before 26<sup>th</sup> May, 2012.
- 4) Payments of Dividend through ECS.
  - a) Members holding shares in electronic form may please note that bank details as furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL) to the Company will be used for the purpose of distribution of dividend through Electronic Clearing Services (ECS) as directed by the Securities & Exchange Board of India. In the absence of ECS facility, the bank account details, if available, will be printed on the dividend warrants. Members holding shares in electronic form must give instructions regarding bank account in which they wish to receive dividend, to their Depository Participants. The Company or the Registrar and Share Transfer Agents will not act on any direct request from these members for change / deletion in such bank details.
  - b) Members holding shares in Physical form are advised to submit particulars of their bank account, Viz., Name and Address of the Bank Branch, 9 Digit MICR Code of the Branch, type of Account and Account Number latest by 26<sup>th</sup> May, 2012 to the Company or the Registrar and Transfer Agents.**
- 5) **In terms of Circular No. 17/2011 dated 21.04.2011 and Circular No.18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, under Green initiative in the Corporate Governance all the members are requested to intimate their e-mail address to the Company's Registrar and Transfer Agents whose e-mail id is xlfield@rediffmail.com mentioning the Company's name i.e., OCTL, so as to enable the company to send the Annual Report and Accounts, Notices and other documents through Electronic Mode to their e-mail address in future.**
- 6) In respect of the information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed /reappointed, Members are requested to kindly refer the chapter on Corporate Governance in the Annual Report.
- 7) An explanatory statement pursuant to Section 173(2) of the Act is attached hereto.

## EXPLANATORY STATEMENT



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

- 6) Mr. A.P.Vitthal is qualified Fellow Member of the institute of Chartered Accountants of India since 1973, and an Associate Member of the Institute of Company Secretaries of India since 1975. He is having more than 35 years experience in Finance & Accounts. He worked in several public sector and private sector enterprises. Presently he is practicing as Chartered Accountant extending Consultancy services to several corporates.

Mr. A P Vitthal was appointed as Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 at the meeting of the Board of Directors of the Company held on 26<sup>th</sup> April, 2012 in terms of applicable provisions of the Companies Act, 1956 and Articles of Association of the Company. His term of appointment of office as Additional Director expire at the conclusion of this meeting. The Company has received a notice from a member proposing his candidature for the office of Director and also deposited ₹ 500/- ( Rs. Five Hundred only).

The Resolution is recommended for approval.

None of the Directors is interested in this resolution.

- 7) The Shareholders had approved the Borrowing Power of ₹ 300 Crores for the Company in Extra Ordinary General Meeting held on 21<sup>st</sup> November, 1991. The Turnover has been in the range of around ₹ 300 Crores. The Company has achieved Turnover of ₹ 480 Crores during the year 2011-12. The Turnover is expected to increase year over year to over ₹ 1,000 Crores thereby necessitating increase in the Borrowing Power of the Company.

It is therefore proposed that the Borrowing Power of the Company be increased to ₹ 1,000 Crores to take care of the Company's Growth and Growing Operational Requirements of the Borrowings.

The Resolution is recommend for your approval.

None of the Directors is interested in the Resolution.

**Regd. Office :**  
"Kamineni", 3<sup>rd</sup> Floor  
King Koti  
Hyderabad - 500 001(A.P)  
April 26<sup>th</sup> 2012

**By Order of the Board of Directors**

**C S Rao**  
**Company Secretary**

## DIRECTORS' REPORT



### To the Members,

The Directors have pleasure in presenting the Twenty Sixth Annual Report on the Business of the Company and the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2012 and Auditors report thereon.

### OPERATIONS:

The Company has achieved a turnover of ₹ 480.00 Crores during the current year 2011-12, as against ₹ 328.15 Crores during the previous year. The exports during the year has also increased from ₹ 315.63 Crores during the previous year to ₹ 416.22 Crores during the year 2011-12 registering a growth of 31%. The order book position as on 31<sup>st</sup> March, 2012 is ₹ 268 Crores out of which export orders account for ₹ 200 Crores.

During the year 2011-12 the Company has successfully implemented the Expansion Project of New Heat Treatment and End Finishing Facility and the Commissioning will be completed by May, 2012, thereby increasing the manufacturing capacity by 150,000 MT and the overall capacity will be 250,000 MT.

### FINANCIAL RESULTS:

S.No		2011-2012 (₹ In Lakhs)	2010-2011 (₹ In Lakhs)
1	Gross Income	47999.67	32815.32
2	Profit Before Interest and Depreciation	7838.55	6303.97
3	Finance Charges	1148.50	880.89
4	Gross Profit	6690.05	5423.08
5	Provision for Depreciation	1038.62	846.22
6	Net Profit before tax	5651.43	4576.86
7	Provisions For Tax	1823.93	1529.47
8	Net Profit after tax	3827.50	3047.39
9	Balance of Profit brought forward.	285.76	267.86
10	Balance available for appropriation	4113.26	3315.25
11	Proposed Dividend on Equity Shares	885.79	885.79
12	Tax on proposed Dividend	143.70	143.70
13	Transfer to General Reserves	2700.00	2000.00
14	Surplus carried to Balance Sheet	383.77	285.76

### Dividend:

The Board of Directors of the Company are pleased to recommend dividend of ₹ 2/- for each Equity Share of ₹10/- each on the Equity Share Capital of the Company for the Financial Year ended 31<sup>st</sup> March, 2012 subject to approval of the Shareholders in the Annual General Meeting.

### PROSPECTS:

With the growing demand of the Company's products due to increase in the Oil and Gas Exploration Activities, the Company has targeted a turnover of ₹ 600 Crores during the year 2012-13.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Clause 49 of the Listing Agreements with Stock Exchanges, the Management discussion and Analysis Report is enclosed as a part of this report (Annexure-1).

### LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2012-2013 to NSE and BSE, where the Company's Shares are listed.

### DEMATERIALISATION OF SHARES:

90.19 % of the company's paid up Equity Share Capital is in dematerialized form as on March 31<sup>st</sup>, 2012 and balance 9.81 % is in physical form.

The Company's Registrars are M/s XL Softech Systems Ltd., 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034.

**DIRECTORS:**

Dr. T S Sethurathnam retires on rotation and being eligible offer himself for re - appointment.

Mr. K V Ravindra Reddy retires on rotation and being eligible offer himself for re - appointment.

Mr. A P Vitthal Additional Director, appointed by the Board ceases to be a director at this Annual General Meeting. A notice was received from a shareholder for his appointment as director along with a deposit of ₹ 500/- as required U/s 257 of the Companies Act, 1956.

The Directors recommend appointment / reappointment as proposed in the notice for the Annual General Meeting.

**THE DIRECTOR'S RESPONSIBILITY STATEMENT (UNDER SECTION 217 (2AA) OF COMPANIES ACT, 1956)**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following Statement in terms of Section 217 (2AA) of the Companies Act, 1956.

1. That in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2012 the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any.
2. That such accounting policies as mentioned in Notes on Accounts have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the State of affairs of the Company at the Financial year 31<sup>st</sup> March, 2012 and of the profit of the Company for that year.
3. That proper and sufficient care has been taken for 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 Annual Accounts for the year ended 31<sup>st</sup> March, 2012 have been prepared on a going concern basis.

**AUDITORS:**

The Auditors of the Company, M/s C K S Associates, Chartered Accountants, Hyderabad retire at the ensuing Annual General Meeting and are eligible for reappointment.

Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory.

**CORPORATE GOVERNANCE:**

Your Company is committed to maintain standards of good corporate governance and has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. Report on Corporate Governance along with the Certificate of the Auditors M/s C K S Associates confirming compliance of conditions of Corporate Governance form part of the Annual Report. (Annexure-II)

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

Information required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in Directors' Report) Rules 1988 is given in the Annexure forming part of this report (Annexure-III).

**PERSONNEL:**

The Company had 7 persons, who were in receipt of remuneration of not less than ₹ 24,00,000 during the year ended 31<sup>st</sup> March, 2012 or not less than ₹ 2,00,000 per month during any part of the said year.

However, as per the provision of Section 219 (1) (b) (IV) of the Companies Act, 1956, the Director's Report and Accounts are being sent to all the Shareholders excluding the statement of particulars of employees. Any shareholder interested in obtaining a copy of the statement may write to the Company Secretary of the Company.

During the year under review, relationship with the employees is cordial.

**ACKNOWLEDGEMENT:**

Directors take this opportunity to express their thanks to various departments of the Central and State Government, ONGC, Oil India Limited, Multinational Companies operating in India and Abroad for Oil and Gas Exploration Activities, Financial Institutions, Bankers, Material Suppliers, Customers and Shareholders for their continued support and guidance.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the employees of the Company at all levels.

**Regd. Office :**

"Kamineni", 3<sup>rd</sup> Floor

King Koti

Hyderabad - 500 001 (A.P)

April 26<sup>th</sup> 2012

**For and on behalf of the Board of Directors**

**K. SURYANARAYANA**  
Chairman

**Management Discussions and Analysis report:****a) Industry Structure and Developments, Opportunities and Threats, Performance, outlook, Risks and Concerns :**

The Oil and Gas Exploration / Drilling Activities has increased during the year 2011-12 and the Company was able to achieve the turnover of ₹ 480.00 Crores during the current year of 2011-12 as against the turnover of ₹ 328.15 Crores during the year 2010-11. The exports during the year 2011-12 is ₹ 416.22 Crores, a growth of 31% as against ₹ 315.63 Crores of the previous year 2010-11.

During the year the Company has penetrated into Canada Market in addition to North America Market and has expanded its customer base to the Central Asia Region also. The Company's order book position as on 31<sup>st</sup> March, 2012 is ₹ 260 Crores out of which export orders are to the extent of ₹ 200 Crores.

The profitability will however continue to be under pressure due to rising prices of power, fuel and other inputs.

**b) Internal Control Systems and their Adequacy :**

The Internal Control Systems comprises of exercising Controls at various stages and are established in order to provide reasonable assurance for:

- i) Safeguarding Assets and their usage.
- ii) Maintenance of Proper Accounting Records and
- iii) Adequacy and Reliability of the information used for carrying on Business Operations.

**The key elements of the system are as follows:**

- a) Existence of Authority Manuals and periodical updating of the same for all Functions.
- b) Existence of clearly defined organizational structure and authority.
- c) Existence of corporate policies for Financial Reporting and Accounting.
- d) Existence of Management information system updated from time to time as may be required.
- e) Existence of Annual Budgets and Long Term Business Plans.
- f) Existence of Internal Audit System.
- g) Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

In view of the expected increase in the Company's turnover and activities, year over year, the Company has appointed an independent Internal Auditors.

The Audit Committee is regularly reviewing the Internal Audit Reports for the auditing carried out in all the key areas of the operations. Additionally the Audit Committee approves all the audit plans and reports for significant issues raised by the Internal and External Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors. Internal Audit Reports are regularly circulated for perusal of Senior Management for appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.





**c) Financial and Operational Performance:**

The Highlights of Financial Operational Performance are given below:

S.No.	Particulars	(₹ In Lakhs) 2011-12	(₹ In Lakhs) 2010-11
1	Sales / Income from Operations	47948.45	32714.05
2	Other Income	51.22	101.27
3	Sub - total	47999.67	32815.32
4	Total Expenditure (Before Interest)	41199.74	27357.57
5	Profit before interest, Tax and Exceptional Item	6799.93	5457.75
6	Operating Margin	14.18%	16.68%
7	Profit after Tax	3827.50	3047.39
8	Return on Average Capital Employed % (before interest and Tax)	21.36	22.90
9	No of Months Receivables (Receivables / Sales x 12)	1.85	0.60
10	Current Ratio (Current Assets / Current Liabilities)	1.01	1.72
11	Borrowings : Equity Ratio (TL / Equity)	2.53	2.31

**d) Human Resources Development and Industrial Relations:**

The Company is maintaining good employee relations and no man-days are lost during the year. The Company continued the welfare activities for the employees, which include Medical Care, Group Insurance, Canteen Facility and Transport Facility. To enrich the skills of employees and enrich their experience, the Company arranges, Practical Training Courses by Internal and External Faculty.

**For and on behalf of the Board of Directors**

**HYDERABAD**  
**April 26<sup>th</sup> 2012**

**K.SURYANARAYANA**  
**Chairman**

**Report on Corporate Governance**

In terms of Compliance to Clause No. 49 of the Listing Agreement on Corporate Governance, your Company is complying with the guidelines. The report for current year is as follows:

**a) Company's Philosophy:**

The Company's policies, practices and philosophy adopted since inception, are in line with the Corporate Governance. The composition of Board of Directors is well balanced with a view to manage the affairs of the Company efficiently and professionally. The Company's philosophy is to produce OCTGs of high quality conforming to the international standards and provide satisfaction to all stakeholders including customers, shareholders and employees.

**b) Board of Directors:**

(1) Composition and Category of Directors as of March 31, 2012 is as follows

<b>Category</b>	<b>No.of Directors</b>	<b>%</b>
Executive Directors	3	42.86
Non Executive, Independent Directors	4	57.14
<b>Total</b>	<b>7</b>	<b>100.00</b>



## (ii) Particulars of Directorships of other Companies

OTHER DIRECTORSHIPS		
Name of the Director	Name of the Company	Position
1. Mr. K Suryanarayana Chairman	United Steel Allied Industries (P) Ltd United Seamless Tubulaar (P) Ltd USAI Forge (P) Ltd Kamineni Steel and Power India (P) Ltd Kamineni Oncology Centre (P) Ltd Kamineni Infrastructure Pvt Ltd Kamineni Hosptals (P) Ltd	Director Chairman & M.D Director Chairman Director Director Director
2. Mr. Sridhar Kamineni Managing Director	United Steel Allied Industries (P) Ltd Kamineni Marketing Services (P) Ltd USAI Forge (P) Ltd Kamineni Infrastructure Pvt Ltd Kamineni Land Marks (P) Ltd Kamineni Steel and Power India (P) Ltd USAI Steels Pvt., Ltd United Seamless Tubulaar (P) Ltd	Director Director Director Director Director Director Director Director
3. Mr. K G Joshi Whole time Director	Nil	Nil
4. Dr.T.S.Sethurathnam Independent Director	Bright Brothers Ltd Meenakshi Power Ltd	Director Director
5. Dr N S Datar Independent Director (upto 21.12.2011)	Uttam Galva Steels Ltd Mittal Corporation Ltd Shiva Cement Ltd	Director Director Director
6. Mr.K V Ravindra Reddy Independent Director	Saptagiri Camphor Ltd Green Park Hotels & Resorts Ltd	Director Director
7. Datuk Syed Hisham Bin Syed Wazir Independent Director	United Seamless Tubulaar (P) Ltd Sathya Auto Private Limited Castwel Auto Parts Private Limited UMW Dongshin Motech Pvt., Ltd Jaybee Drilling Private Limited	Director Chairman Chairman Chairman Chairman
8. Mr. A.P.Vitthal Additional Director	Nil	Nil

**ANNEXURE II****(III) Attendance of each Director at the Board Meetings and the last AGM During the year 2011-12**

Director	No.of Board Meetings Attended	Last AGM attendance (Yes/No)
Mr. K Suryanarayana	6	Yes
Mr.Sridhar Kamineni	6	Yes
Mr. K G Joshi	6	Yes
Dr. T S Sethurathnam	5	Yes
Dr N S Datar	4	Yes
Mr. K V Ravindra Reddy	5	No
Datuk Syed Hisham Bin Syed Wazir	4	Yes

**(iv) No. of other Board Committees they are Members / Chairperson**

Share Transfer Committee and Grievance Committee	Audit Committee	Remuneration Committee
Dr T S Sethurathnam Chairman	Dr T S Sethurathnam Chairman	Dr T S Sethurathnam Chairman
Mr. K V Ravindra Reddy Director	Mr.K V Ravindra Reddy Director	Mr. K V Ravindra Reddy Director
Mr. K G Joshi Director	Dr N S Datar Director (Upto 21.12.2011)	Dr N S Datar Director (Upto 21.12.2011)

**(v) Number of Board Meetings held, dates on which held:**

6 Board meetings were held during the financial year from 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March, 2012. The dates on which the meetings were held are as follows:

28<sup>th</sup> April, 2011, 28<sup>th</sup> May, 2011, 7<sup>th</sup> July, 2011, 28<sup>th</sup> July, 2011, 29<sup>th</sup> October, 2011 and 21<sup>st</sup> January, 2012.

**c) Audit Committee:**

The Audit Committee of the Company consists of 3 Independent Directors and 1 Executive Director as Special Invitee. The Chairman of the Audit Committee is financially literate and majority of them having accounting or related financial management experience. Representative of Statutory Auditor is permanent invitee. Company Secretary acts as Secretary to the Committee.

During the year the Committee had 4 Meetings i.e. on 28<sup>th</sup> April, 2011, 28<sup>th</sup> July, 2011, 29<sup>th</sup> October, 2011 and 21<sup>st</sup> January, 2012. The Committee's powers and role are as stipulated by the Listing Agreement.

**Attendance of each Member at the Audit Committee Meetings:**

<b>Director</b>	<b>No.of Meetings held</b>	<b>No. of Meetings Attended</b>
Dr. T S Sethurathnam	4	4
Dr. N S Datar	4	3
Mr. K V Ravindra Reddy	4	4

The Chairman of the Audit Committee was present at the last Annual General Meeting.

**d) Remuneration Committee:**

The following Directors are the members of Remuneration Committee.

Dr. T S Sethurathnam

Dr. N S Datar

Mr. K V Ravindra Reddy

The Committee will meet as and when any remuneration is to be fixed for any Director / Managing Director.

During the year no committee meeting was held.

**e) Shareholders Committee:**

The following Committee of Directors looks after the Investor Grievances :

Dr T S Sethurathnam

Mr. K G Joshi

Mr. K V Ravindra Reddy

During the year 4 Investor Grievance Committee Meetings were held on 28<sup>th</sup> April, 2011, 28<sup>th</sup> July 2011, 29<sup>th</sup> October, 2011 and 21<sup>st</sup> January, 2012. The attendance of the Members at the meeting was as under:

<b>Director</b>	<b>Position</b>	<b>No.of Meetings held</b>	<b>No. of Meetings Attended</b>
Dr. T S Sethurathnam	Chairman	4	4
Mr. K G Joshi	Member	4	4
Mr. K V Ravindra Reddy	Member	4	4

**Name and designation of Compliance Officer :**

**Mr. C S Rao**, Company Secretary.

**ANNEXURE II****Share holders' Services:**

Sl. No.	Nature of Complaints	2011-2012		2010-2011	
		Received	Answered	Received	Answered
1	Non receipt of Shares lodged for Demat	-	-	-	-
2	Non receipt of Dividend Warrants	44	44	49	49
3	Others	9	9	8	8

**f) General Body Meetings:****Location and time for the last three AGMs**

Year	Date	Venue	Time	Special Resolution
2008 - 2009	27.05.2009	Taj Mahal Hotel 2 <sup>nd</sup> Floor Akshaya Hall 4-1-999 Abids Road, Hyderabad - 500 001	10.00 A.M.	Payment of Commission to Executive Directors of the Company
2009 - 2010	27.05.2010	Taj Mahal Hotel 2 <sup>nd</sup> Floor Akshaya Hall 4-1-999 Abids Road, Hyderabad - 500 001	10.00 A.M.	Nil
2010 - 2011	28.05.2011	Taj Mahal Hotel 2 <sup>nd</sup> Floor Akshaya Hall 4-1-999 Abids Road, Hyderabad - 500 001	10.00 A.M.	Reappointment of Executive Chairman, Wholetime Director and appointment of Director

No Postal Ballot was conducted during the Year.

Extraordinary General Meetings - Nil

**ANNEXURE II****Disclosures:****(i) Related party transactions during the year:**

(₹ in lakhs)

SL. No.	PARTICULARS OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTIONS	AMOUNT	
				2011-12	2010-11
1	United Steel Allied Industries Pvt. Ltd.	Two of the Directors are interested	Maintenance of Plant & Machinery	-	74.92
			Loading & Unloading of Pipes	721.81	454.73
			Office Rent	297.81	-
			Civil, Errection and Fabrication Works	4274.85	5421.35
2	V Max Studio & Advertising	One Director is Interested	Advertising & Publishing	65.59	56.43
3	Mrs. K Indira	Two of the Directors are related	Rent for office premises	-	39.88
			Rent for Tractor at factory	-	1.98
4	Mrs.B.Usha Sree	Two of the Directors are related	Rent for office premises	-	34.27
5	USAI Forge Pvt., Ltd	Two of the Directors are interested	Material Purchase	1018.48	2930.51
			Sales	10.01	-
6	United Seamless Tubulaar Pvt., Ltd	Two of the Directors are interested	Raw Material Purchase	6433.72	4123.22
			Processing jobs on Casing Pipes	5708.04	759.85

**(ii) Remuneration paid or payable to Directors during the year 2011-2012**

Name of the Director	Relationship With other Directors	Sitting fees (Rs)	Salary & Allowance (Rs)	Contribution of PF (Rs)	Perquisites (Rs)	Commission (Rs)	Total (Rs)
Mr. K Suryanarayana	Related to Mr. Sridhar Kamineni	-	39.12	-	6.00	269.13	314.25
Mr. Sridhar Kamineni	Related to Mr. K Suryanarayana	-	39.12	4.32	6.00	201.96	251.40
Mr. K G Joshi	None	-	33.02	2.16	3.50	24.17	62.85
Dr. T S Sethurathnam	None	1.60	-	-	-	-	1.60
Dr. N S Datar	None	0.95	-	-	-	-	0.95
Mr. K V Ravindra Reddy	None	1.20	-	-	-	-	1.20
Datuk Syed Hisham Bin Syed Wazir	None	0.80	-	-	-	-	0.80
<b>Grand Total</b>							<b>633.05</b>



There are no non-compliance of any statutes by the company. Neither penalties nor strictures were imposed by any Stock Exchange / SEBI or any other statutory authority on any matter related to capital markets during last 3 years.

**(g) Means of Communication:**

Quarterly Results are published in Newspapers i.e., Financial Express, Economic Times (Hyderabad & Mumbai), Andhra Prabha (Regional newspaper). Displayed on Securities & Exchange Board of India website. No presentation made to institutional investors or to the analysts.

**(h) General Shareholder's information**

- |   |      |  |
|---|------|--|
| 1. AGM date, time and venue   | :    | Thursday, 31 <sup>st</sup> May, 2012<br>AT 10.00 A.M.<br>Tajmahal Hotel<br>2 <sup>nd</sup> Floor, Akshaya Hall<br>4-1-999, Abids Road<br>Hyderabad - 500 001 |
| 2. Financial Calendar   | :    | 1 <sup>st</sup> Quarter<br>2 <sup>nd</sup> Quarter<br>3 <sup>rd</sup> Quarter<br>4 <sup>th</sup> and Final Quarter   |
| 3 Date of Book Closure  | :    | 28/05/2012 to 31/05/2012<br>(Both days inclusive)  |
| 4. Dividend Payment date  | :    | on or after 31 <sup>st</sup> May, 2012   |
| 5 Listing on Stock Exchanges  | :    | The Company's Shares are currently listed at following Stock Exchanges:  |
| (i) Bombay Stock Exchange Ltd,<br>BSE's Corporate Relationship Dept<br>Exchange Plaza<br>1 <sup>st</sup> Floor, New Trading Ring<br>Routunga Building, P J Towers<br>Dalal Street, MUMBAI - 400 001 | (ii) | National Stock Exchange of India Ltd,<br>5 <sup>th</sup> Floor, Plot No. C/1<br>G-Block, Bandra Kurla Complex<br>Bandra East<br>MUMBAI - 400 051             |
| 6 Stock Exchange Security Code  |      |  |
| (i) 500313 - BSE  | (ii) | OILCOUNTUB - NSE   |
| 7. Listing fees   | :    | Paid to Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd up to (including) 2012-2013.  |





**8. Monthly High and Low quotations along with the volume of shares traded at National Stock Exchange of India Ltd., & Bombay Stock Exchange Ltd., during 2011 - 2012:**

Month & Year	NSE			BSE		
	High (₹)	Low(₹)	Volume (Nos)	High (₹)	Low(₹)	Volume (Nos)
April, 2011	93.40	74.20	1925167	93.55	74.30	848844
May, 2011	84.00	66.95	1162532	83.80	70.45	156476
June, 2011	85.40	67.00	1641065	84.80	68.00	917951
July, 2011	79.50	68.45	1188324	79.95	68.15	516925
August, 2011	78.20	62.95	1276165	77.25	60.05	40990
September, 2011	70.00	59.50	184367	69.95	58.55	43240
October, 2011	69.80	56.50	203663	69.50	56.35	58472
November, 2011	67.85	49.00	324708	67.70	49.00	119038
December, 2011	56.70	44.10	119711	55.75	43.05	57624
January, 2012	64.00	44.65	290069	63.50	45.15	131158
February, 2012	64.00	50.00	505740	63.05	53.00	200874
March, 2012	57.60	49.05	80796	57.40	48.05	37689
<b>TOTAL</b>			<b>8902307</b>			<b>3129281</b>

**9. The Company's Depository Registrar for Shares in Physical and Electronic Form:**

XL Softech Systems Limited  
 3 Sagar Society  
 Road No.2  
 Banjara Hills  
 Hyderabad-500 034  
 Phone No: 040 - 23545913 / 23545914

**10. Share Transfer System**

The transactions of the shares held in Demat and Physical form are handled by the Company's Depository Registrar, XL Softech Systems. Limited.

**The Shares transferred (in physical form) during 2011-2012.**

Particulars	2011-2012	2010-2011
Share Transferred	26150	100400
Total No. of Shares as on 31 <sup>st</sup> March, 2012	44289530	44289530
<b>% on Share Capital</b>	<b>0.06</b>	<b>0.23</b>

**ANNEXURE II****Categories of shareholders as on 31<sup>st</sup> March, 2012**

Category	No. of Share Holders	Voting Strength %	No. of Shares Held	% of Share Holding
Individuals	33910	96.83	10986916	24.81
Companies	492	1.41	1623164	3.66
FIIS	1	0.00	5400	0.01
OCBs and NRIs	582	1.66	10284394	23.22
Promoters	19	0.05	21328726	48.16
Mutual Funds, Banks, FIs	18	0.05	60930	0.14
<b>Total</b>	<b>35022</b>	<b>100.00</b>	<b>44289530</b>	<b>100.00</b>

**Investor's Correspondence may be addressed to:**

XL Softech Systems Limited  
 3 Sagar Society  
 Road No.2  
 Banjara Hills  
 Hyderabad-500 034  
 Phone No: 040 - 23545913 / 23545914.

**11. Distribution of Share Holdings:**

No. of Equity Shares held	As on 31.03.2012				As on 31.03.2011			
	No. of Share holders	% .of Share holders	No. of Shares	% .of Share holding	No. of Share holders	% .of Share holders	No. of Shares	% .of Share holding
1 - 500	32625	93.15	4409153	9.95	33210	93.17	4490633	10.14
501 - 1000	1414	4.04	1150191	2.60	1437	4.03	1170820	2.64
1001 - 2000	504	1.44	760707	1.72	504	1.41	765009	1.73
2001 - 3000	165	0.47	419949	0.95	156	0.44	394870	0.89
3001 - 4000	63	0.18	223385	0.50	74	0.21	264200	0.60
4001 - 5000	59	0.17	279835	0.63	65	0.18	309512	0.70
5001 - 10000	88	0.25	635851	1.44	79	0.22	592401	1.34
10001 and above	104	0.30	36410459	82.21	116	0.33	36302085	81.97
<b>Total</b>	<b>35022</b>	<b>100.00</b>	<b>44289530</b>	<b>100.00</b>	<b>35641</b>	<b>100.00</b>	<b>44289530</b>	<b>100.00</b>



12. Dematerialization of Shares: 39945622 Shares working out to 90.19% of the total Shares have been dematerialized up to 31<sup>st</sup> March 2012. and balance 4343908 shares working out to 9.81% are in physical form.
13. The Company has not issued any GDRs / ADRs / Warrants or any convertible Instruments.
14. Plant Locations : Shreepuram  
Marketpally Mandalam  
Nalgonda Dist - 508 254 (A.P.)
15. Address of Registered Office : "Kamineni" 3<sup>rd</sup> Floor, King Koti  
Hyderabad - 500 001  
Tel. No. : 040 - 2478 5555  
Fax No. : 040 - 2475 9299
16. CEO/ CFO Certification: As required by Clause 49 of the Listing Agreement, the CEO/CFO Certification is provided in the Annual Report.(Annexure II)

**17. Details of Directors proposed for Reappointment / Appointment:**

- a) Dr. T S Sethurathnam Aged about 82 years is retired from Indian Audit and Accounts Service of Govt. of India. He was associated with Kandla Port at the time of its Construction, as Financial Auditor in Kandla Port and thereafter worked MP State Electricity Board and retired as Chairman. After retirement he served in Power Finance Corporation and chairman of Bombay Suburban Electric Supply Company. He is also Director in various companies and has proven managerial and administrative capabilities. He is associated with the Company for over 22 years.
- b) Mr. K V Ravindra Reddy aged about 70 years is an expert in Corporate Legal Affairs. He retired as Chief General Manager (legal) in A P Industrial Development Corporation and has rich experience in Corporate Business Administration and Management. He is a Director on the Board of the Company for over 22 years.
- c) Mr. A P Vitthal aged about 61 years is a qualified Chartered Accountant and Company Secretary. He worked in various senior positions in Hindustan Steel, Dredging Corporation and other Public Sector Companies. He also worked as Executive Director of Dharti Dredging Corporation, a private sector company. At present he is working as Consultant in Finance and Accounts to several private sector companies.

**For and on behalf of the Board of Directors**

**HYDERABAD  
April 26<sup>th</sup> 2012**

**K.SURYANARAYANA  
Chairman**

**CEO AND CFO CERTIFICATION**

We, Sridhar Kamineni Managing Director and S A Mushtaq General Manager (Finance) responsible for the finance function certify that :

- a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2012 and to the best of our Knowledge and belief :
  - i) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:
  - ii) These Statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our Knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2012 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
  - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Sridhar Kamineni**  
**Managing Director**

**S A Mushtaq**  
**G M (Finance)**

**HYDERABAD**  
**April 26<sup>th</sup> 2012**



## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

### **The Members of Oil Country Tubular Limited**

We have examined the compliance of conditions of Corporate Governance by Oil Country Tubular Ltd., for the year ended March 31, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2012, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders Committee.

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

**For C K S ASSOCIATES  
Chartered Accountants  
FRN 007390S**

**HYDERABAD  
April 26<sup>th</sup> 2012**

**P GANAPATI RAO  
Partner  
M.No. 24113**

## ANNEXURE III



### Disclosure of Particulars pursuant to Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1998

#### A. CONSERVATION OF ENERGY:

Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimise use of energy through continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.

#### B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form B below:

##### FORM B

##### Research and Development

The major achievement by the Company due to their continuous Research and Development activities is indigenization of toolings and improvements in the manufacturing processes and operational procedures. The Research and Development activity is given the highest priority by the Company.

##### Expenditure on R&D

	(₹ in Lakhs) (2011-2012)	(₹ in Lakhs) (2010-2011)
a. Capital	Nil	Nil
b. Recurring	35.25	56.50
c. Total	35.25	56.50
d. Total R&D expenditure as a percentage of total turnover	0.07%	0.17%

##### Technology absorption, adaptation and Innovation:

Efforts, in brief, made towards technology absorption, adaptation and innovation : Updation of Technology is a continuous process, absorbed implemented and adapted by the Company for innovation. Efforts are continuously made to develop new products required in the Oil and Gas Industry.

Benefits derived as a result of the above efforts : The company has been able to successfully indigenise the toolings to a large extent and successfully developed new products by virtue of technology Absorption, adaptation and innovation.

In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) the information may be furnished : Not applicable since 5 years period is over.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange outgo and foreign exchange earned by the Company during the year are detailed in Note No.33,36 and 37 of other Notes to the Financial Statements.

For and on behalf of the Board of Directors

HYDERABAD  
April 26<sup>th</sup> 2012

K. SURYANARAYANA  
Chairman

## AUDITOR'S REPORT



To  
**The Members of OIL COUNTRY TUBULAR LIMITED**

1. We have audited the attached Balance Sheet of **OIL COUNTRY TUBULAR LIMITED** as at March 31, 2012 and also the Profit and Loss Account and 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 the 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 Companies ( Auditor's Report) Order, 2003, ( as amended ) issued by the Central Government in terms of section 227 (4A) 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.
4. Further to our comments in the Annexure referred to 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 purpose of our audit;
  - b. In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - c. The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Profit and Loss Account and 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;
  - e. 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.
  - f. 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:
    1. in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2012 and
    2. in the case of the Profit and Loss Account of the Profit of the Company for the year ended on that date.
    3. in the case of Cash Flow statement, of the cash flows for the year ended on that date.

**For C K S ASSOCIATES**  
**Chartered Accountants**  
**FRN 007390S**

**HYDERABAD**  
**April 26<sup>th</sup> 2012**

**P GANAPATI RAO**  
**Partner**  
**M.No. 24113**

**ANNEXURE TO THE AUDITORS' REPORT :**

**( Referred to in Paragraph 3 of our report of even date)**

- 1.1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- 1.2. All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- 1.3. During the year, the company has not disposed off a substantial part of fixed assets during the year.
- 2.1. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- 2.2. 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.
- 2.3. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on such physical verification.
3. The company has neither granted nor taken any loan, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly, the sub-clauses (a), (b), (c), (d), (e), (f) and (g) of clause (iii) are not applicable to the company.
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 continuing failure to correct major weaknesses in internal controls.
- 5.1. According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- 5.2. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public to which the directives issued by Reserve Bank of India and the provisions of Sections 58A, 58 AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under apply.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- 9.1. The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education & protection fund, employees state insurance, income tax, sales tax, wealth tax, customs duty, excise duty, cess, service tax and other material statutory dues applicable to it.





- 9.2. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty, and cess were in arrears, as at March 31, 2012, for a period of more than six months from the date they became payable.
10. The Company has no accumulated losses. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
12. In our opinion and according to the information and explanations given to us, the company has not granted any loans and advances, on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, 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.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
15. In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
16. To the best of our knowledge and belief and according to the informations and explanations given to us, in our opinion, the term loans raised during the year were used for the purposes for which they were raised other than temporary deployment pending application.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act, during the year under report.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. 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.

**For C K S ASSOCIATES  
Chartered Accountants  
FRN 007390S**

**HYDERABAD  
April 26<sup>th</sup> 2012**

**P GANAPATI RAO  
Partner  
M.No. 24113**

# BALANCE SHEET



BALANCE SHEET AS AT MARCH 31, 2012		[ ₹ in Lakhs]	
	Note No.	31.03.2012	31.03.2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) SHAREHOLDERS' FUNDS</b>			
a) Share Capital	1	4428.95	4428.95
b) Reserves and surplus	2	18165.24	15367.23
		<b>22594.19</b>	19796.18
<b>(2) NON-CURRENT LIABILITIES</b>			
a) Long Term Borrowings	3	8100.29	9015.85
b) Deferred Tax liabilities (Net)	4	2540.33	2118.40
c) Long Term Provisions	5	338.67	258.06
		<b>10979.29</b>	11392.31
<b>(3) CURRENT LIABILITIES</b>			
a) Short Term Borrowings	6	13604.89	4431.23
b) Trade payables	7	4572.89	2389.76
c) Other current liabilities	8	8110.27	2355.87
d) Short Term Provisions	9	4351.93	5458.94
		<b>30639.98</b>	14635.80
<b>TOTAL</b>		<b>64213.46</b>	45824.29
<b>II. ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Fixed Assets	10		
i) Tangible Assets		16043.58	8869.52
ii) Capital Work in Progress		10765.33	4258.54
(b) Non-Current Investments	11	5220.40	3220.40
(c) Long Term Loans and Advances	12	816.61	5011.44
(d) Other Non-Current Assets	13	327.09	323.00
		<b>33173.01</b>	21682.90
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	14	18360.66	12802.74
(b) Trade receivables	15	7393.84	1641.74
(c) Cash and Bank Balances	16	1085.44	4585.64
(d) Short term Loans and advances	17	4170.17	5095.54
(e) Other Current Assets	18	30.34	15.73
		<b>31040.45</b>	24141.39
<b>TOTAL</b>		<b>64213.46</b>	45824.29
<b>Refer Accompanying Notes to Financial Statements</b>			

Per our report attached  
for **C K S ASSOCIATES**  
Chartered Accountants  
(FRN 007390S)

**P. GANAPATI RAO**  
Partner  
M.No. 24113

**HYDERABAD**  
April 26<sup>th</sup> 2012

For and on behalf of the Board of Directors

**K.SURYANARAYANA**  
Chairman

**SRIDHAR KAMINENI**  
Managing Director

**K.G. JOSHI**  
**Dr.T.S. SETHURATHNAM**  
**K.V. RAVINDRA REDDY**  
**A.P. VITTHAL**  
Directors

**C.S. RAO**  
Company Secretary

# PROFIT AND LOSS ACCOUNT



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012			
			(₹ in lakhs)
	Note No.	31.03.2012	31.03.2011
<b>I REVENUE</b>			
Revenue from Operations	19	47948.45	32714.05
Other Income	20	51.22	101.27
<b>Total Revenue</b>		<b>47999.67</b>	<b>32815.32</b>
<b>II EXPENSES</b>			
Cost of Materials Consumed	21	31514.26	15817.18
Changes in Inventories of Finished Goods and Work-in-Progress	22	(4270.04)	45.99
Employee Benefits Expense	23	2908.29	2033.36
Finance Costs	24	1148.50	880.89
Depreciation and Amortisation Expenses	10	1038.62	846.22
Other Expenses	25	10008.13	8614.89
<b>Total Expenses</b>		<b>42347.76</b>	<b>28238.53</b>
<b>III Profit Before Exceptional &amp; Extraordinary Items and Tax</b>		<b>5651.91</b>	<b>4576.79</b>
<b>IV Exceptional Items</b>			
(Profit) / Loss on Sale of Fixed Assets		0.48	(0.07)
<b>V Profit Before Tax</b>		<b>5651.43</b>	<b>4576.86</b>
<b>VI Tax Expense:</b>			
1 Current Tax		1402.00	1650.00
2 Tax Pertaining to Earlier Years		0.00	25.86
3 Deferred Tax		421.93	(146.39)
		<b>1823.93</b>	<b>1529.47</b>
<b>VII Profit After Tax for the Year</b>		<b>3827.50</b>	<b>3047.39</b>
<b>VIII Earnings Per Share:</b>			
Par Value per Share ₹ 10/-			
a) Basic		8.64	6.88
b) Diluted		8.64	6.88
<b>Refer Accompanying Notes to Financial Statements</b>			

Per our report attached  
for **C K S ASSOCIATES**  
Chartered Accountants  
(FRN 007390S)

**P. GANAPATI RAO**  
Partner  
M.No. 24113

**HYDERABAD**  
April 26<sup>th</sup> 2012

For and on behalf of the Board of Directors

**K.SURYANARAYANA**  
Chairman

**SRIDHAR KAMINENI**  
Managing Director

**K.G. JOSHI**  
**Dr.T.S. SETHURATHNAM**  
**K.V.RAVINDRA REDDY**  
**A.P.VITTHAL**  
Directors

**C.S. RAO**  
Company Secretary

**OILCOUNTRY TUBULAR LIMITED****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS****1. HISTORY:**

Oil Country Tubular Limited (OCTL) is a unique integrated facility established in 1989 and is one of the leading Companies in the world, processing a wide range of Oil Country tubular Goods viz., Drill Pipes, Heavy Weight Drill Pipes, Tubing, Casing, Drill Collars and other Oil Field Accessories required for the Oil Drilling and Exploration. The facility was set up in the State of Andhra Pradesh, India with a capital outlay of ₹ 500 Million. During the year the Company has taken up Second Heat Treatment Plant and End Finishing Facility to meet the demand of Customers with an estimated Project cost of ₹1500 Millions.

**2. SIGNIFICANT ACCOUNTING POLICIES:****A) Basis of Preparation of Financial Statements:**

The Financial Statements are prepared on going concern assumption and under the historical cost convention, except for certain fixed assets which are revalued in accordance with generally accepted Accounting principles in India and the provisions of the Companies Act 1956.

**B) Use of Estimates:**

The preparation of financial statements requires certain estimates and assumption to be made that effect the reported amount of assets and liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

**C) Fixed Assets:**

Fixed assets are stated at cost net of cenvat / value added tax and includes amounts added on revaluation, less accumulated depreciation, and impairment of loss, if any. All costs including financing costs till commencement of production, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

**D) Investments:**

Investments in Un-Quoted Shares are stated at Cost.

**E) Depreciation:**

Depreciation on Buildings and Plant and Machinery is provided on straight-line method at the rates specified in schedule - XIV of the Companies Act 1956. Depreciation on other fixed assets is provided on written down value method at the rates specified in schedule - XIV of the Companies Act 1956.

**F) Impairment of Asset:**

The Carrying amount of asset is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the greater of the asset's net selling price and value in use, which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there is change in the estimates used to determine the recoverable amount.

**G) Inventories:**

Items of inventories are valued at lower of cost or net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw material is determined on weighted average method. Scrap is valued at estimated realisable value.

**H) Foreign Currency Transactions:**

Foreign Currency Transactions are recorded at the exchange rates prevailing at the transaction date. Current Assets and Current Liabilities relating to Foreign Currency Transactions remaining unsettled at the Balance Sheet date are translated at the year- end rates. The result gain / loss, if any, is recognised in Profit & Loss Account.

**I) Revenue Recognition:**

The Sales are recognised on the basis of despatch of goods. In respect of Export Sales, the revenue is recognised on the basis of Bill of Lading. Miscellaneous sales are recognised on the basis of despatch of goods. Other income such as interest etc., are recognised on accrual basis.

**J) Employee Benefits:****1. Gratuity:**

The Company contributes towards Group Gratuity Fund (defined benefit retirement plan) administered by the Life Insurance Corporation of India, for eligible employees. Under this scheme, the settlement obligation remains with the Company, while the Life Insurance Corporation of India administers the scheme and determines the premium to be contributed by the Company. The plan provides for a lump-sum payment to the vested employees on retirement or termination of employment, based on the respective employees' salary and the years of service with the Company. Liability with regard to gratuity fund is accrued, based on actuarial valuation conducted by an independent actuary, using the projected unit credit method as at March 31, every year.

**2. Provident Fund:**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged off to the Profit and Loss account of the year when the contributions to the fund are due. There are no other obligations other than the contributions to be remitted to the Provident Fund Authorities.

**3. Leave Encashment:**

Provision for Leave Encashment is recognised in the books as per the actuarial valuation.

**K) Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**L) Provision for Current and Deferred Tax:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is not recognised in the books as mater of prudence.

**M) Research and Development:**

Capital expenditure incurred has been disclosed under their natural heads of account and revenue expenditure incurred is charged off as a distinct item in the Profit and Loss account.

**N) Claims:**

Claims by and against the company, including liquidated damages, are recognised on acceptance basis.

## NOTES



<b>NOTE NO.1: SHARE CAPITAL</b>		(₹ in Lakhs)	
	<b>31.03.2012</b>	31.03.2011	
<b>Authorised :</b> 8,50,00,000 Equity Shares of par value of ₹10/- each	<b>8500.00</b>	8500.00	
<b>Issued, Subscribed and Paid up:</b> 4,42,89,530 Equity Shares of ₹10 each fully paid up in Cash	<b>4428.95</b>	4428.95	
	<b>4428.95</b>	4428.95	

*Disclosure:*

1. All the equity shares carry equal rights and obligations including for dividend and with respect to voting
2. Details of Shareholders holding more than 5% Shares:

<b>Name</b>	<b>2011-12</b>		<b>2010-11</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
United Steel Allied Industries (P) Ltd.	<b>14,387,026</b>	<b>32.48</b>	12,180,001	27.50
UMW India Ventures (I) Ltd	<b>6,599,100</b>	<b>14.90</b>	6,599,100	14.90
Mr. K.Suryanarayana	<b>2,400,600</b>	<b>5.42</b>	2,400,600	5.42

## NOTE No.2: RESERVES AND SURPLUS

	<b>31.03.2012</b>	31.03.2011
<b>Capital Reserve:</b>		
Share Forfeiture (Opening and Closing)	<b>0.65</b>	0.65
<b>Revaluation Reserve (Opening and Closing)</b>	<b>80.82</b>	80.82
<b>General Reserve:</b>		
Balance at the beginning of the year	<b>15000.00</b>	13000.00
Add: During the year	<b>2700.00</b>	2000.00
Balance at the closing of the year	<b>17700.00</b>	15000.00
<b>Surplus</b>		
Balance brought forward from previous year	<b>285.76</b>	267.86
Add: Transfer from Statement of Profit and Loss for the year	<b>3827.50</b>	3047.39
<b>Balance Available for Appropriations</b>	<b>4113.26</b>	3315.25
<b>Appropriations:</b>		
Less: Provision for Dividend	<b>885.79</b>	885.79
Provision for Tax on Dividend	<b>143.70</b>	143.70
Transfer to General Reserve	<b>2700.00</b>	2000.00
<b>Balance carried forward to next year</b>	<b>383.77</b>	285.76
	<b>18165.24</b>	15367.23

## NOTES



### NOTE NO.3: LONG TERM BORROWINGS

(₹ in Lakhs)

	31.03.2012	31.03.2011
<b>Secured:</b>		
Term Loans from Allahabad Bank		
ECB Loan	<b>7222.59</b>	8404.71
Buyers' Credit	<b>877.70</b>	611.14
	<b>8100.29</b>	9015.85

Disclosure:

Particulars	ECB Loan	Buyers Credit-1	Buyers Credit-2	Buyers Credit-3	Buyers Credit-4
Period of maturity with reference to Balance Sheet date	48 Months	19 Months	21 Months	23 Months	25 Months
Number of Instalments outstanding	16	4	4	4	5
Outstanding Amount of Instalments	9630.12 US\$ 18,823,529 (8934.00) (US\$ 20,000,000)	346.25 US\$ 676,800 (377.91) (US\$ 846,000)	136.29 US\$ 266,400 (148.75) (US\$ 333,000)	207.10 US\$ 404,800 (226.03) (US\$ 506,000)	888.14 US\$ 1,736,000 (-) (-)
Rate of Interest	LIBOR plus 300 bps and 100 bps in INR	LIBOR plus 200 bps	LIBOR plus 200 bps	LIBOR plus 200 bps	LIBOR plus 200 bps
Overdue amount and period	Nil	Nil	Nil	Nil	Nil

The above Term Loans are sanctioned for the Second Heat Treatment Plant and End Finishing facility which are secured by exclusive charge on the assets created out of the facility.

### NOTE No.4: DEFERRED TAX LIABILITIES (NET)

The Company has provided for Deferred Tax in accordance with the Accounting Standard on "Accounting for Taxes on Income" (AS 22) issued by the Institute of Chartered Accountants of India. The details of deferred tax assets and liabilities of the Company as on the date of Balance Sheet are as follows:

	31.03.2012	31.03.2011
<b>Deferred Tax Liability</b>		
On Timing differences on Depreciation on Fixed Assets	<b>7887.77</b>	6507.65
<b>Deferred Tax Asset</b>		
Gratuity / Leave Encashment	<b>58.12</b>	(21.57)
	<b>7829.65</b>	6529.22
Deferred Tax thereon	<b>2540.33</b>	2118.40
Less: Provided for in the Previous Years	<b>2118.40</b>	2264.79
<b>Deferred Tax Provided / (Reversed)</b>	<b>421.93</b>	(146.39)

## NOTES



<b>NOTE NO.5: LONG TERM PROVISIONS</b>		(₹ in Lakhs)	
	<b>31.03.2012</b>	31.03.2011	
Provision for Employee benefits			
Provision for Gratuity (Funded)	<b>281.76</b>	213.38	
Provision for Leave Encashment (Non-Funded)	<b>56.91</b>	44.68	
	<b>338.67</b>	258.06	

## NOTE NO.6: SHORT TERM BORROWINGS

	<b>31.03.2012</b>	31.03.2011	
<b>Secured:</b>			
Working Capital Loans	<b>13604.89</b>	4431.23	
	<b>13604.89</b>	<b>4431.23</b>	

### Disclosure:

Particulars	Period of maturity with reference to Balance Sheet date	Number of Instalments outstanding	Outstanding amount	Rate of Interest	Overdue amount and period
1. Bank of India Cash Credit	Renewable every year	-	2.08	Base Rate plus 2.75%	Nil
Buyers' Credit	-	-	-	-	Nil
2. State Bank of Hyderabad Buyers' Credit 1	144 Days	1	764.44 US\$ 1,494,209.97	LIBOR plus 250 bps	Nil
Buyers' Credit 2	164 Days	1	722.84 US\$ 1,412,904.74	LIBOR plus 175 bps	Nil
3. Canara Bank Cash Credit	-	-	-	-	Nil
4. Allahabad Bank Cash Credit	Renewable every year	-	1750.84	Base Rate plus 2.75%	Nil
Packing Credit	-	-	-	-	Nil
5. Standard Chartered Bank CA (OD)	-	-	1143.08	-	Nil
Buyers' Credit	20 Days	1	2318.04 US\$ 4,530,963.19	LIBOR plus 175 bps	Nil
6. Indian Overseas Bank CA (OD)	-	-	1914.21	-	Nil
Buyers' Credit 1	101 Days	1	1501.85 US\$ 2,935,585.74	LIBOR plus 320 bps	Nil
Buyers' Credit 2	135 Days	1	492.31 US\$ 962,299.80	LIBOR plus 250 bps	Nil
7. Bank of Bahrain & Kuwait BSC Packing Credit	175 Days	-	2995.20 US\$ 5,850,000	LIBOR plus 350 bps	Nil

Working Capital Loans are secured by hypothecation of present and future raw materials, work in progress, finished goods, stores and spares and book debts of the Company and charge on the existing immovable properties.





<b>NOTE NO.7: TRADE PAYABLES</b>		(₹ in Lakhs)
	<b>31.03.2012</b>	31.03.2011
Trade Payables for Materials and Services	<b>4572.89</b>	2389.76
	<b>4572.89</b>	2389.76

*Disclosure:*

There are no dues to any creditors constituting "Suppliers" within the meaning of Section 2 (n) of the Micro, Small and Medium Enterprises Development Act, 2006.

<b>NOTE NO.8: OTHER CURRENT LIABILITIES</b>		
	<b>31.03.2012</b>	31.03.2011
Current Maturities of Long Term Debt	<b>3107.61</b>	675.77
Unclaimed Dividends	<b>132.54</b>	54.01
Outstanding Liabilities	<b>764.97</b>	622.07
Interest Accrued but not due	<b>53.07</b>	14.58
Income Received in Advance	<b>3999.88</b>	956.64
Other Payables	<b>52.20</b>	32.80
	<b>8110.27</b>	2355.87

<b>NOTE NO.9: SHORT TERM PROVISIONS</b>		
	<b>31.03.2012</b>	31.03.2011
Provision for Employee benefits	<b>270.44</b>	214.10
Provision for Income Tax	<b>3052.00</b>	4215.35
Provision for Proposed Dividend	<b>885.79</b>	885.79
Tax on Proposed Dividend	<b>143.70</b>	143.70
	<b>4351.93</b>	5458.94

## NOTE NO.10 : FIXED ASSETS

(₹ in lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	COST AS ON 01.04.2011	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	TOTAL COST AS ON 31.03.2012	UP TO 01.04.2011	FOR THE YEAR	DEDUCTIONS DURING THE YEAR	UP TO 31.03.2012	AS ON 31.03.2012	AS ON 31.03.2011
<b>1. TANGIBLE ASSETS:</b>										
Land	352.59	0.00	0.00	352.59	0.00	0.00	0.00	0.00	352.59	352.59
Buildings	3377.42	2759.90	0.00	6137.32	1204.61	139.95	0.00	1344.56	4792.76	2172.81
Plant & Machinery	32302.77	5346.88	0.00	37649.65	26118.93	848.92	0.00	26967.85	10681.80	6183.84
Furniture & Fixtures	144.60	27.12	0.00	171.72	102.92	10.02	0.00	112.94	58.78	41.68
Vehicles	57.31	23.78	5.55	75.54	39.08	9.12	4.48	43.72	31.82	18.23
Office Equipment	178.74	32.99	0.00	211.73	103.90	15.92	0.00	119.82	91.91	74.84
Data Processing Equipment	204.51	23.08	0.00	227.59	178.98	14.69	0.00	193.67	33.92	25.53
<b>T O T A L</b>	<b>36617.94</b>	<b>8213.75</b>	<b>5.55</b>	<b>44826.14</b>	<b>27748.42</b>	<b>1038.62</b>	<b>4.48</b>	<b>28782.56</b>	<b>16043.58</b>	<b>8869.52</b>
<b>2. CAPITAL WORKS IN PROGRESS</b>										
	4258.54	14499.90	7993.11	10765.33	0.00	0.00	0.00	0.00	10765.33	4258.54
<b>T O T A L</b>	<b>40876.48</b>	<b>22713.65</b>	<b>7998.66</b>	<b>55591.47</b>	<b>27748.42</b>	<b>1038.62</b>	<b>4.48</b>	<b>28782.56</b>	<b>26808.91</b>	<b>13128.06</b>
PREVIOUS YEAR	35724.20	10048.47	12.42	45760.25	26909.27	846.22	7.07	27748.42	18011.83	8814.93

<b>NOTE NO.11: NON CURRENT INVESTMENTS</b>		(₹ in Lakhs)
	<b>31.03.2012</b>	31.03.2011
<b>Trade Investments (Unquoted, at cost)</b>		
<b>Investments in Equity Instruments of Associate Company</b>	<b>3220.40</b>	3220.40
2,12,20,400 (2,00,00,000) Equity Shares of ₹10/- each in United Seamless Tubulaar Pvt Ltd. (Including 1,90,00,000 of Bonus Shares ₹10/- each)		
Share Application Money in United Seamles Tubulaar Pvt. Ltd	<b>2000.00</b>	0.00
	<b>5220.40</b>	3220.40

Disclosure:

	<b>31.03.2012</b>		31.03.2011	
	<b>No. of Shares</b>	<b>%</b>	No. of Shares	%
Equity Shares in United Seamless Tubulaar Pvt Ltd.	<b>21,220,400</b>	<b>20</b>	21,220,400	20

<b>NOTE NO.12: LONG TERM LOANS AND ADVANCES</b>		
	<b>31.03.2012</b>	31.03.2011
Advances for Capital Goods	316.13	4883.77
Security Deposits	500.48	127.67
	<b>816.61</b>	5011.44

<b>NOTE NO.13: OTHER NON CURRENT ASSETS</b>		
	<b>31.03.2012</b>	31.03.2011
Deposits with Banks		
Margin Money Deposits Account	<b>11.51</b>	86.30
Interest receivable	<b>0.19</b>	1.75
Group Gratuity	<b>315.39</b>	234.95
	<b>327.09</b>	323.00

## NOTES



<b>NOTE NO.14: INVENTORIES</b>		(₹ in Lakhs)
	<b>31.03.2012</b>	31.03.2011
<i>Valued at lower of cost or net realisable value except scrap which is valued at estimated realisable value.</i>		
Raw Materials	<b>5201.49</b>	4041.34
Work in Progress	<b>6707.65</b>	6443.98
Finished Goods	<b>4843.68</b>	837.18
Stores and Spare parts	<b>1606.86</b>	1479.13
Scrap	<b>0.98</b>	1.11
	<b>18360.66</b>	12802.74

<b>NOTE NO.15: TRADE RECEIVABLES</b>		
	<b>31.03.2012</b>	31.03.2011
<i>Unsecured, considered good</i>		
(a) Outstanding for more than six months	<b>41.28</b>	75.00
(b) Other debts	<b>7352.56</b>	1566.74
	<b>7393.84</b>	1641.74

<b>NOTE NO.16: CASH AND BANK BALANCES</b>		
	<b>31.03.2012</b>	31.03.2011
<b>Cash and Cash Equivalents</b>		
Cash on Hand	<b>1.48</b>	2.60
Balances with Banks In Current Account	<b>459.72</b>	4046.41
<b>Other Bank Balances</b>		
Margin Money Deposits Account	<b>491.70</b>	482.62
Unclaimed Dividend Account	<b>132.54</b>	54.01
	<b>1085.44</b>	4585.64

<b>NOTE NO.17: SHORT TERM LOANS AND ADVANCES</b>		
	<b>31.03.2012</b>	31.03.2011
Prepaid Taxes - Income Tax	<b>3098.58</b>	4245.77
Balances with Central Excise Authorities	<b>774.02</b>	671.93
Other Advances	<b>297.57</b>	177.84
	<b>4170.17</b>	5095.54

<b>NOTE NO.18: OTHER CURRENT ASSETS</b>		
	<b>31.03.2012</b>	31.03.2011
Interest receivable	<b>30.34</b>	15.73
	<b>30.34</b>	15.73

**NOTES**

<b>NOTE NO.19 : REVENUE FROM OPERATIONS</b>		(₹ in Lakhs)
	<b>31.03.2012</b>	31.03.2011
Sale of Products	<b>42733.14</b>	30391.37
Other Operating Revenues		
a) Job works	<b>5736.42</b>	2545.73
b) Sale of Scrap	<b>115.72</b>	66.68
	<b>48585.28</b>	33003.78
Less: Duties and Taxes	<b>636.83</b>	289.73
	<b>47948.45</b>	32714.05

<b>NOTE NO.20 : OTHER INCOME</b>		
	<b>31.03.2012</b>	31.03.2011
Interest from Banks and Others		
a) On Long Term Investments	<b>6.31</b>	7.86
b) On Current Investments	<b>39.96</b>	66.84
Awards/Claims Received	<b>0.00</b>	20.82
Miscellaneous Income	<b>4.95</b>	5.75
	<b>51.22</b>	101.27

<b>NOTE NO.21 : COST OF MATERIALS CONSUMED</b>		
	<b>31.03.2012</b>	31.03.2011
Opening Stocks	<b>4041.34</b>	489.43
Add : Purchases	<b>32674.41</b>	19369.09
	<b>36715.75</b>	19858.52
Less : Closing Stock	<b>5201.49</b>	4041.34
	<b>31514.26</b>	15817.18

<b>NOTE NO.22 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>		
	<b>31.03.2012</b>	31.03.2011
Opening Finished Goods	<b>837.18</b>	440.30
Closing Finished Goods	<b>4843.68</b>	837.18
	<b>(4006.50)</b>	(396.88)
Opening Work-in-Progress	<b>6445.09</b>	6887.96
Closing Work-in-Progress	<b>6708.63</b>	6445.09
	<b>(263.54)</b>	442.87
<b>Net (Increase) / Decrease</b>	<b>(4270.04)</b>	45.99



<b>NOTE NO.23 : EMPLOYEE BENEFITS EXPENSES</b>		(₹ in Lakhs)
	<b>31.03.2012</b>	31.03.2011
Salaries and Wages	<b>2484.75</b>	1845.68
Contribution to P.F.and E.S.I.	<b>120.24</b>	92.44
Gratuity, LTA and Medical Expenses	<b>303.30</b>	95.24
	<b>2908.29</b>	2033.36

Disclosure:

The above Salaries and Wages include Directors Remuneration

<b>NOTE NO.24 : FINANCE COST</b>		
	<b>31.03.2012</b>	31.03.2011
Interest Expenses	<b>621.56</b>	777.75
Other Borrowing Costs	<b>526.94</b>	103.14
	<b>1148.50</b>	880.89

<b>NOTE NO.25 : OTHER EXPENSES</b>		
	<b>31.03.2012</b>	31.03.2011
Consumption of Stores and Spares	<b>2202.12</b>	1966.10
Power & Fuel	<b>2153.73</b>	1877.92
Rent	<b>270.00</b>	70.74
Repairs to Buildings	<b>31.47</b>	22.92
Repairs to Machinery	<b>225.49</b>	147.03
Insurance	<b>64.32</b>	74.54
Rates and Taxes	<b>248.52</b>	149.26
Selling and Distribution Expenses	<b>2971.30</b>	3124.82
Miscellaneous Expenditure	<b>1481.98</b>	1205.80
Net Loss/(Gain) on Foreign Currency Transaction & Translation	<b>359.20</b>	(24.24)
	<b>10008.13</b>	8614.89

## OTHER NOTES TO THE FINANCIAL STATEMENTS

## 26 (a) CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for):

## i) Contingent Liabilities

	(₹ In Lakhs)	
	As at	As at
	31.03.2012	31.03.2011
<b>a) Claims against the company not acknowledged as debts</b>		
Income Tax	512.81	481.35
<p>(The revenue has appealed before Hon'ble High Court of Andhra Pradesh against the order of Hon'ble Andhra Pradesh Income Tax appellate Tribunal, Hyderabad which was in favour of the Company)</p>		
<b>b) Guarantees</b>		
1) Bank guarantees	4705.28	4025.36
2) Letters of credit	4889.85	623.95
c) Bills discounted	1079.83	971.68
<b>ii) Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	---	745.15

**(b). Un-hedged foreign currency exposure at the year end**

Trade receivables ₹ 4036.84 lakhs (₹ 1502.52 lakhs), Trade payables ₹ 2201.31 lakhs (₹ 1440.38 lakhs) and Secured loans ₹ 17007.37 lakhs (₹ 10245.77 lakhs).

27. The Company proposes to declare ₹ 2/- (₹ 2/-) per share as dividend to the equity shareholders, total dividend amounting to ₹ 885.79 lakhs (₹ 885.79 lakhs)
28. **As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:**

**Defined Contribution Plan**

Contribution to Defined Contribution Plan recognised as expenses for the year as under:

	(₹ In Lakhs)	
	2011-12	2010-11
Employer's Contribution to Provident Fund	106.03	87.19
Employer's Contribution to ESI	1.69	1.30

**Defined Benefit Plan**

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognised each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation. The obligation for leave encashment is recognised in the books as per LIC actuarial valuation.

**I. Reconciliation of opening and closing balances of Defined Benefit obligation**

	<b>Gratuity (Funded)</b>	<b>Leave Encashment (Non funded)</b>	<b>Gratuity (Funded)</b>	<b>Leave Encashment (Non funded)</b>
	<b>2011-12</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2010-11</b>
Defined Benefit obligation				
At beginning of the year	<b>213.38</b>	<b>44.68</b>	163.52	43.71
Current Service Cost	<b>31.00</b>	<b>35.21</b>	22.99	24.82
Past Service Cost	—	—	30.79	—
Interest	<b>15.64</b>	<b>1.99</b>	11.49	2.68
Actuarial gain / (loss)	<b>57.60</b>	<b>15.93</b>	5.24	(10.74)
Benefits paid	<b>(35.86)</b>	<b>(39.69)</b>	(20.65)	(15.79)
Defined Benefit obligation at year end	<b>281.76</b>	<b>58.12</b>	213.38	44.68

**II. Reconciliation of opening and closing balances of fair value of plan assets**

	<b>Gratuity (Funded)</b>	<b>Leave Encashment (Non funded)</b>	<b>Gratuity (Funded)</b>	<b>Leave Encashment (Non funded)</b>
	<b>2011-12</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2010-11</b>
Fair value of plan assets				
At beginning of the year	<b>234.95</b>	—	138.14	—
Expected Net return on plan assets	<b>24.44</b>	—	12.82	—
Employer contribution	<b>94.57</b>	<b>39.69</b>	104.64	15.79
Benefits paid	<b>(35.86)</b>	<b>(39.69)</b>	(20.65)	(15.79)
Fair value of plan assets at year end	<b>315.39</b>	—	234.95	—

**III. Reconciliation of fair value of assets and obligations.**

	<b>Gratuity (Funded)</b>	<b>Leave Encashment (Non funded)</b>	<b>Gratuity (Funded)</b>	<b>Leave Encashment (Non funded)</b>
	<b>2011-12</b>	<b>2011-12</b>	<b>2010-11</b>	<b>2010-11</b>
Fair value of plan assets	<b>315.39</b>	—	234.95	—
Present value of obligation	<b>281.76</b>	<b>58.12</b>	213.38	44.68
Amount recognised in Balance sheet	<b>33.63</b>	<b>58.12</b>	21.57	44.68



## IV. Expenses recognised during the year

	Gratuity (Funded)	Leave Encashment (Non funded)	Gratuity (Funded)	Leave Encashment (Non funded)
	2011-12	2011-12	2010-11	2010-11
Current Service Cost	31.00	35.21	22.99	24.82
Past Service Cost	—	—	30.79	—
Interest Cost	15.64	1.99	11.49	2.68
Expected return on plan assets.	(24.44)	—	(16.67)	—
Actuarial Gain / (Loss)	60.31	15.93	9.14	(10.74)
Net Cost	82.51	53.13	57.74	16.76

## V. Investment Details:

	% Invested As at 31 <sup>st</sup> March 2012	% Invested As at 31 <sup>st</sup> March 2011
L.I.C.	100.00	100.00

## IV. Expenses recognised during the year

	Gratuity (Funded)	Leave Encashment (Non funded)	Gratuity (Funded)	Leave Encashment (Non funded)
	2011-12	2011-12	2010-11	2010-11
Mortality Table (LIC)				
Discount rate (per annum)	8%	8%	7.50%	7.50%
Expected rate of return on plan assets (Per annum)	9.25%	—	9.25%	—
Rate of escalation in salary (per annum)	4%	4%	4%	4%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

## 29. Earning Per Share:

	2011-12	2010-11
Total No. of Shares (In Lakhs)	442.89	442.89
Profit after Taxes and exceptional items (₹ In Lakhs)	3827.50	3047.38
Earning per share Basic & Diluted (₹)	8.64	6.88

## NOTES



### 30. Segment Reporting:

The Company is predominantly engaged in the manufacture and sale of Oil Country Tubular Goods (OCTG). OCTG Sales and OCTG Service Segments were reported as Business Segments in the previous year where the risks and returns associated with the products / services are uniform and would represent secondary segments for reporting. Hence, the Company has identified geographical segments as its primary segment for reporting in accordance with Accounting Standard - 17.

(₹ In Lakhs)

Particulars	Brazil	Canada	UK	US	Domestic	Others	Total
<b>Segment Revenue</b>							
External Sales	3,638.03 (342.20)	2,564.24 (2,616.18)	223.59 -	7,639.26 (15,001.29)	31,083.03 (10,495.25)	2,800.30 (4,259.14)	<b>47,948.45</b> <b>(32,714.05)</b>
<b>Segment Results</b>							
Segment Expenses directly attributable	1,686.12 (202.04)	1,260.59 (1,604.06)	104.11 -	5,091.65 (12,098.05)	20,203.97 (7,346.67)	1,395.21 (2,075.88)	<b>29,741.64</b> <b>(23,326.70)</b>
Segment Expenses allocated	803.56 (34.55)	566.38 (264.15)	49.39 -	1687.34 (1,514.66)	6865.55 (1,059.69)	618.52 (430.04)	<b>10590.75</b> <b>(3,303.09)</b>
Unallocable Expenses							<b>867.35</b> <b>(727.78)</b>
Operating Profit Before Interest & Tax	1,148.35 (105.61)	737.27 (747.97)	70.09 -	860.26 (1,388.58)	4013.51 (2,088.88)	786.57 (1,753.23)	<b>6,748.71</b> <b>(5,356.48)</b>
<b>Less: Interest Expense</b>							<b>1,148.50</b> <b>(880.89)</b>
<b>Add: Unallocable Income</b>							<b>51.22</b> <b>(101.27)</b>
<b>Profit Before Tax</b>							<b>5,651.43</b> <b>(4576.86)</b>
Tax							<b>1,823.93</b> <b>(1,529.47)</b>

## NOTES



Net Profit							3,827.50 (3047.39)
<b>Segment Assets</b>	730.99 -	- -	235.36 -	1,119.51 (24.63)	5,200.97 (1,075.72)	107.01 (541.38)	7,393.84 (1,641.74)
Unallocated Corporate Assets							56,819.62 (44,182.55)
Total Assets							64,213.46 (45,824.29)
<b>Segment Liabilities</b>	- -	- (58.94)	- (82.72)	69.94 (42.36)	- (949.38)	- (1,256.37)	69.94 (2,389.76)
Unallocated Corporate Liabilities							64,143.52 (43,434.53)
<b>Total Liabilities</b>							64,213.46 (45,824.29)

### Secondary Segments:

	OCTG Sales	OCTG Job Works / Services	Total
<b>i) Segment Revenue</b>			
Sales	42,212.02 (30,168.31)	5,736.43 (2,545.74)	47948.45 (32,714.05)
<b>ii) Segment Assets</b>			
Carrying amount of segment assets	61,129.73 (45,824.29)	3,083.73 -	64,213.46 (45,824.29)
<b>iii) Additions to Fixed Assets</b>			
Unallocable Fixed Assets	- -	- -	8,213.75 (906.16)

### Notes for segment reporting:

- Segment assets / liabilities comprise trade receivables / trade payables from the respective segments
- All other assets/liabilities are taken as Unallocable Corporate Assets / Liabilities
- Previous year figures are given in brackets

**NOTES**

**31.(A) In accordance with the Accounting Standard No.18, the details of Related Party Transactions areas follows:**

**(₹ in Lakhs)**

<b>SL. NO.</b>	<b>PARTICULARS OF THE PARTY</b>	<b>RELATIONSHIP</b>	<b>NATURE OF TRANSACTIONS</b>	<b>31.03.12</b>	<b>31.03.11</b>
A	United Steel Allied Industries Pvt. Ltd.	Two of the Directors are interested	Maintenance of Plant & Machinery	-	74.92
			Material Loading and Un-Loading	<b>721.81</b>	454.73
			Office Rent	<b>297.81</b>	-
			Civil Work, Errection and Fabrication Works of Plant & Machinery including Advance Payments	<b>4274.85</b>	5421.35
B	V Max Studio & Advertising	Two of the Directors are related	Advertising, Printing, Web Designing, Maintenance of Software & Hardware and Supply of Stationery	<b>65.59</b>	56.43
C	Mrs. K. Indira	Two of the Directors are related	Rent for office premises	-	39.88
			Hire Charges for Tractors at Factory	-	1.98
D	Mrs. B. UshaSree	Two of the Directors are related	Rent for office premises	-	34.27
E	Usai Forge Pvt. Ltd.	Two of the Directors are interested	Material Purchase	<b>1018.48</b>	2930.51
			Sales	<b>10.01</b>	-
F	United Seamless Tubulaar Pvt. Ltd.	Two of the Directors are interested	Raw Material Purchases	<b>6433.72</b>	4123.22
			Sales / Job Works	<b>5708.04</b>	759.85

**NOTES****B) Remuneration to Directors is as follows:****(₹ in Lakhs)**

SL. NO.	PARTICULARS OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTIONS	31.03.12	31.03.11
A	Mr. K.Suryanarayana	Chairman - Related to Mr. Sridhar Kamineni Managing Director	Remuneration as Director	<b>314.25</b>	254.51
B	Mr. Sridhar Kamineni	Managing Director - Related to Mr. K.Suryanarayana - Chairman	Remuneration as Director	<b>251.40</b>	203.61
C	Mr. K.G.Joshi	Director	Remuneration as Director	<b>62.85</b>	50.91

**32. Additional information pursuant to Note 5 of Part II of the Revised Schedule VI of the Companies Act, 1956:****A) TURNOVER:**

SL. NO.	CLASS OF GOODS	OPENING STOCK AS AT 01.04.2011	CLOSING STOCK AS AT 31.03.2012	TURNOVER AS AT 31.03.2012
		VALUE ₹ IN LAKHS	VALUE ₹ IN LAKHS	VALUE ₹ IN LAKHS
A	Casing and Production Tubing	<b>251.28</b> (62.42)	<b>4505.86</b> (251.28)	<b>31348.80</b> (24600.95)
B	Drill Pipes	<b>585.90</b> (377.88)	<b>337.82</b> (585.90)	<b>10572.12</b> (5785.71)
C	Others including Drill Collars / Oil Field Accessories and Job Work Charges	- (-)	- (-)	<b>6548.64</b> (2550.44)
	<b>TOTAL</b>	<b>837.18</b> (440.30)	<b>4843.68</b> (837.18)	<b>48469.56</b> (32937.10)

**B) WORK IN PROGRESS:**

SL. NO.	CLASS OF GOODS	OPENING STOCK AS AT 01.04.2011	CLOSING STOCK AS AT 31.03.2012
		VALUE ₹ IN LAKHS	VALUE ₹ IN LAKHS
A	Casing and Production Tubing	<b>1698.98</b> (4121.39)	<b>3688.80</b> (1698.98)
B	Drill Pipes	<b>4738.68</b> (2759.55)	<b>3012.53</b> (4738.68)
C	Others including Drill Collars / Oil Field Accessories and Job Work Charges	<b>7.43</b> (7.02)	<b>7.30</b> (7.43)
	<b>TOTAL</b>	<b>6445.09</b> (6887.96)	<b>6708.63</b> (6445.09)

(Previous year figures are given in brackets)

## NOTES



	31.03.2012		31.03.2011	
		₹ in Lakhs		₹ in Lakhs
<b>33. CIF VALUE OF IMPORTS</b>		<b>24008.77</b>		11499.22
Raw Materials		<b>538.14</b>		345.71
Stores, Spares and Tools				
<b>34. RAW MATERIAL CONSUMPTION</b>				
Casing and Production Tubing		<b>27748.83</b>		12056.32
Drill Pipes		<b>3765.43</b>		3760.86
<b>RAW MATERIAL CONSUMPTION</b>	<b>Percent</b>		<b>Percent</b>	
Imported	<b>78.07</b>	<b>24603.13</b>	63.58	10056.24
Indigenous	<b>21.93</b>	<b>6911.13</b>	36.42	5760.94
	<b>100.00</b>	<b>31514.26</b>	100.00	15817.18
<b>35. STORES, SPARES &amp; TOOLS CONSUMPTION</b>	<b>Percent</b>		<b>Percent</b>	
Imported	<b>28.31</b>	<b>623.49</b>	21.76	427.82
Indigenous	<b>71.69</b>	<b>1578.63</b>	78.24	1538.28
	<b>100.00</b>	<b>2202.12</b>	100.00	1966.10
<b>36. EXPENDITURE IN FOREIGN CURRENCY</b>				
Travelling		<b>37.32</b>		49.40
Others		<b>313.13</b>		294.36
		<b>350.45</b>		343.76
<b>37. EARNINGS IN FOREIGN CURRENCY</b>				
FOB value of Exports		<b>16865.42</b>		22218.80
Domestic Sales (Deemed Exports)		<b>24756.80</b>		9344.45

38. Remuneration to Auditor (excluding service tax):

	(₹In Lakhs)	
As:	2011-12	2010-11
i) Auditor	<b>3.50</b>	3.50
ii) For Taxation Matters	<b>0.80</b>	0.75
iii) For Other Services	<b>1.07</b>	0.85

39. Previous year figures have been regrouped / re arranged wherever necessary.

Per our report attached  
for **C K S ASSOCIATES**  
Chartered Accountants  
(FRN 007390S)

**P. GANAPATI RAO**  
Partner  
M.No. 24113

**HYDERABAD**  
April 26<sup>th</sup> 2012

For and on behalf of the Board of Directors

**K.SURYANARAYANA**  
Chairman

**SRIDHAR KAMINENI**  
Managing Director

**K.G. JOSHI**  
**Dr. T.S. SETHURATHNAM**  
**K.V. RAVINDRA REDDY**  
**A.P. VITTHAL**  
Directors

**C.S. RAO**  
Company Secretary

# CASH FLOW STATEMENT



(₹ in Lakhs)

	Year Ended 31.03.2012	Year Ended 31.03.2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary Items	5651.43	4576.86
Adjustments for :		
Depreciation	1038.62	846.22
Interest from Banks and Others	(46.27)	(74.70)
(Profit)/Loss on Sale of Assets	0.48	(0.07)
Interest on Working Capital Loans	1148.50	880.89
Exchange rate fluctuation	359.20	(24.24)
<b>Operating Profit before Working Capital Charges</b>	<b>8151.96</b>	<b>6204.96</b>
Adjustments for :		
(Increase)/Decrease in Inventories	(5557.92)	(3238.69)
(Increase)/Decrease in Sundry Debtors	(5752.10)	2430.49
(Increase)/Decrease in Other Current Assets	(18.70)	105.50
(Increase)/Decrease in Loans and Advances	5120.20	3036.27
Increase/(Decrease) in Current Liabilities	8035.98	(2784.45)
Increase/(Decrease) in Cash Credit Loans	9173.66	3181.76
Increase/(Decrease) in interest accrued	38.49	14.58
<b>Cash Generated from Operations</b>	<b>19191.57</b>	<b>8900.24</b>
Adjustments for :		
Interest on Working Capital Loans	(1148.50)	(880.89)
Direct Taxes Paid	(2565.35)	(3830.11)
<b>Total : (A)</b>	<b>15477.72</b>	<b>4239.42</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(220.64)	(904.41)
Capital Work in Progress	(14499.90)	(9142.31)
Sale of Fixed Assets	0.60	3.67
Interest Received	46.27	74.70
<b>Total : (B)</b>	<b>(14673.67)</b>	<b>(9968.35)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Term Loans	(915.56)	10245.77
(Increase)/Decrease in Investments	(2000.00)	0.00
Equity Dividend	(885.79)	(885.79)
Corporate Dividend Tax	(143.70)	(150.54)
<b>Total : (C)</b>	<b>(3945.05)</b>	<b>9209.44</b>
Net Increase/(Decrease) in Cash and Cash Equivalents (Total A + B + C)	(3141.00)	3480.51
Exchange rate fluctuation	(359.20)	24.24
Opening Balance of Cash and Cash Equivalents	4585.64	1080.89
Closing Balance of Cash and Cash Equivalents	1085.44	4585.64

**FOR C K S ASSOCIATES**  
Chartered Accountants  
(FRN 007390 S)

**P. GANAPATI RAO**  
Partner  
M.No.24113

**HYDERABAD**  
April 26<sup>th</sup> 2012

For and On Behalf of the Board of Directors

**SRIDHAR KAMINENI**  
Managing Director



**OIL COUNTRY TUBULAR LIMITED**

Registered Office: "Kamineni" 3<sup>rd</sup> Floor, King Koti , Hyderabad - 500001

**PROXY FORM**

I/We.....of.....being a member of the above named Company, hereby appoint the following as my/our Proxy to attend and vote for me/us and on my/our behalf at the Twenty Sixth Annual General Meeting of the Company, at Tajmahal Hotel, Akshaya Hall, Abids, Hyderabad - 500001 to be held on Thursday, the 31<sup>st</sup> May, 2012 at 10.00 a.m. and at any adjournment thereof:

- 1. Mr/Ms .....(Signature), or failing him
- 2. Mr/Ms .....(Signature), or failing him
- 3. Mr./Ms .....(Signature)

Number of Shares held.....

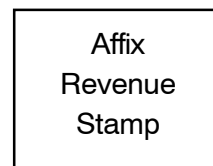
Reference Folio No./

Signed this ..... day of .....2012

DP ID & Client ID .....

Signature(s) of Member(s)

- (1).....
- (2).....
- (3).....



NOTES : Please see overleaf



**OIL COUNTRY TUBULAR LIMITED**

Registered Office: "Kamineni" 3<sup>rd</sup> Floor, King Koti , Hyderabad - 500001

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

Full name of the member attending .....

Member's Folio No / Client ID :.....No. of Shares held .....

Name of Proxy.....  
(To be filled in, if the Proxy attends instead of the Member)

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Oil Country Tubular Limited, at Taj Mahal Hotel, 2<sup>nd</sup> Floor, Akshaya Hall, 4-1-999, Abids Road, Hyderabad - 500 001 on Thursday, 31<sup>st</sup> May, 2012 at 10.00 a.m.

.....  
Member's / Proxy's Signature







**Note :**

1. Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
2. The Proxy, to be effective should be deposited at the Registered Office of the Company not less than **FORTY-EIGHT HOURS** before the commencement of the Meeting.
3. A Proxy need not be a member of the Company.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
5. This form of proxy confers authority to demand or join in demanding a poll.
6. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

**BOOK-POST  
Printed Matter**

**To**



If undelivered, please return to:



**Oil Country Tubular Ltd.**

Registered Office: 'KAMINI', 3<sup>rd</sup> Floor,  
King Koti, Hyderabad - 500 001, A.P.