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B-506

SUDESH Group of Industries

Bihar Tubes Limited

Annual Report 2006-07

What is common to...

...Suzlon Energy • Moser Baer • Jubilant Organosys • Gammon India • Triveni Engineering • Inter Arch Building Products • Kirby Building Systems • B. L. Kashyap & Sons • Adani Agri-Logistics • Reliance Industries • Tata Motors • L&T • Simplex Infrastructure • Era Constructions • Indian Railways • BHEL • Airport Authority of India • BSNL • NCL Industries • B.G. Shirke Construction & Technology • DMRC • JBM Group • Tiger Steel • ANG Auto and other leading Indian companies?

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Contents

Our corporate identity 2
What we have achieved over the years 4
Our strengthening financials 6
Managing Director's review 8
How we are creating a competitive edge in our business 12
How we enhanced shareholder value in 2006-07 14
Management discussion and analyses 16
Segment-wise review 20
Financial review 24
Outlook 29
Risk management 30
Directors' Report 32
Report on Corporate Governance 36
Financial section 43

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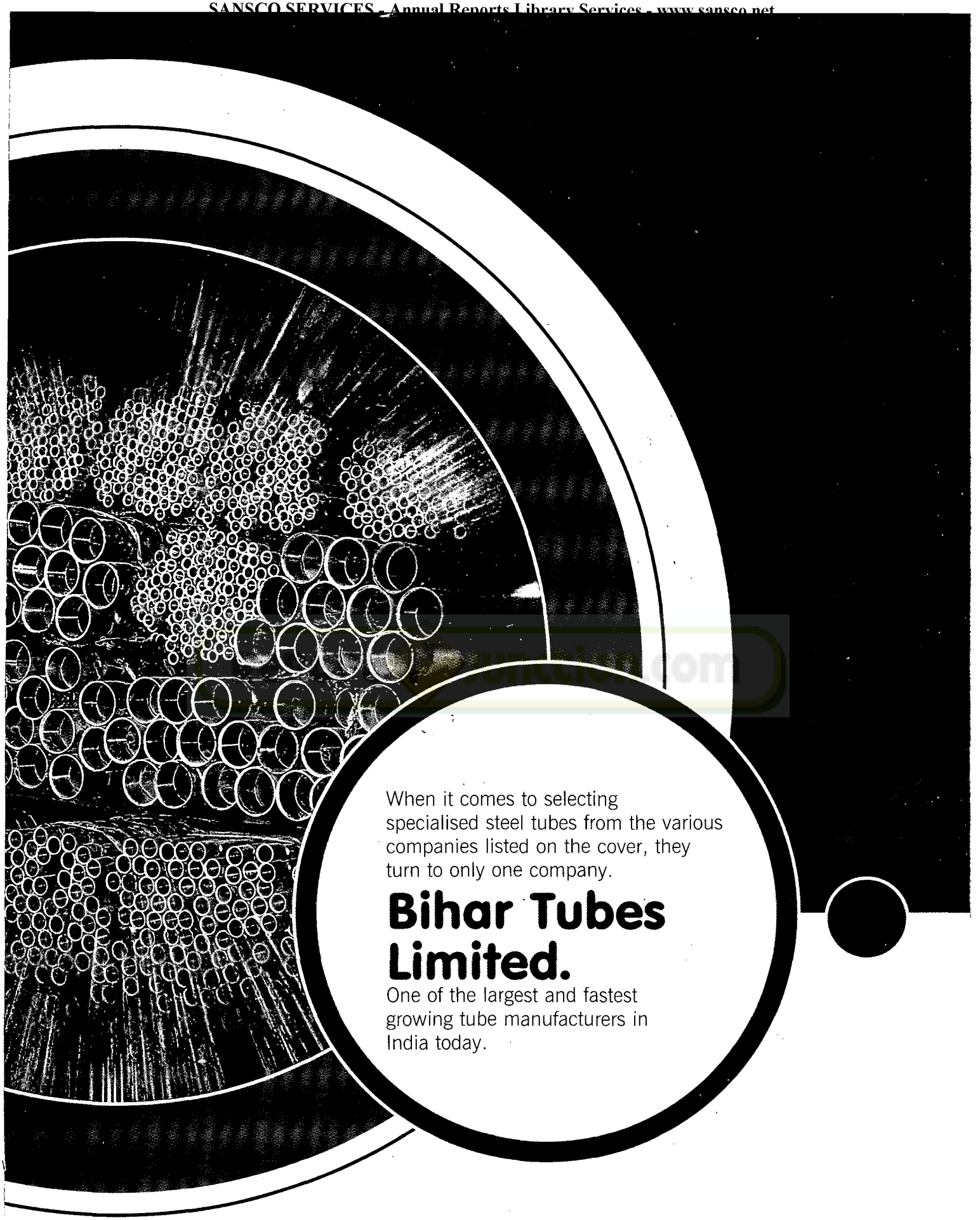

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Our corporate identity

Our mission

To achieve the best quality at an affordable price

Our goals

- To satisfy the customer
- To meet customers' requirements all the time
- To implement quality policy through research, development and training
- To involve all our employees in our overall development

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Our location

- Headquartered in New Delhi
- Manufacturing unit in Sikandrabad (Uttar Pradesh)

Our products

- ERW pipes
- Hot dipped galvanised pipes
- Pre-galvanised pipes
- Galvanised sheets
- Structural tubes

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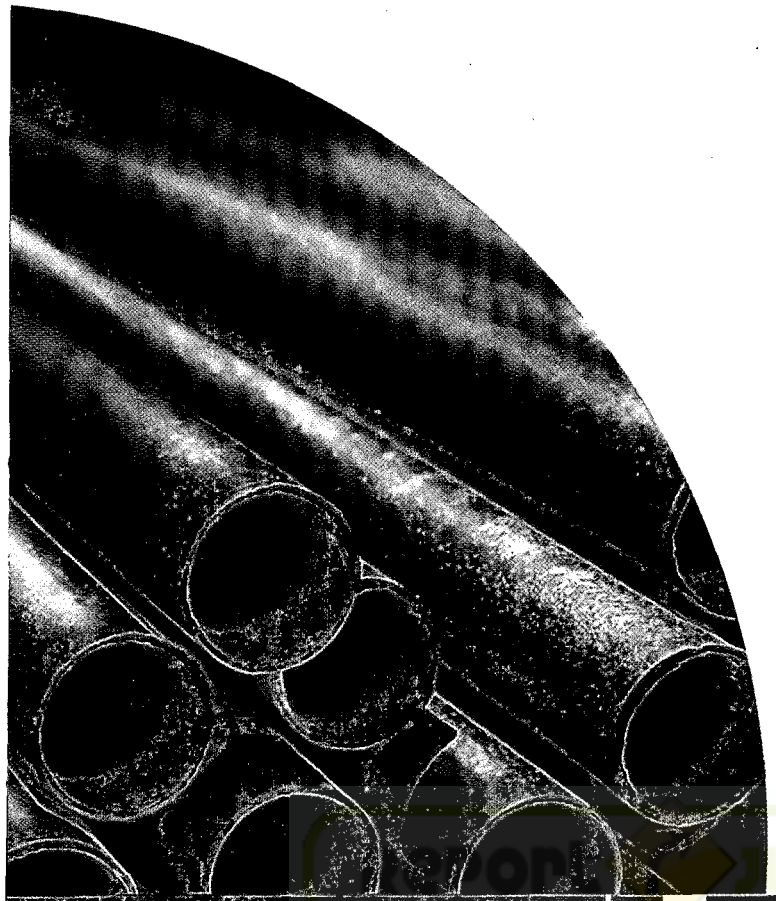

Our market

- Products found in over 100 Indian cities
- Products exported to over 20 countries covering the Indian sub continent, Africa, America and Europe

Our customer segments

- Network comprising over 100 dealers
- Contractors
- Government contracts and rate contracts
- Railways
- Exports
- Projects

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Our achievements

- ISO 9001:2000 certification
- Government of India awarded us certified Export House status

Who owns us

- 42% ownership by the general public
- 58% promoters' stake
- Company's share traded on BSE

Indian standard	Application
IS 1239	Water, oil and gas line
IS 1161	Construction
IS 3601	General engineering
IS 3589	Casing pipes, boring applications
IS 4270	Deep boring belt system
IS 4923	Structural tubes for infrastructure purpose

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What we have achieved over the years

1986
Promoted by the late Mr. Sudesh Gupta.

1986
Started manufacturing of steel tubes.

1994
Set up galvanising plant. Received ISI certification.

1995
IPO of 2.19 mn shares of Rs. 10 at Rs. 20. Mobilised Rs. 43.80 mn.

2002
Installed high speed gallium tube mill with the latest technology from Kusakabe.

Received the ISO 9001:2000 certificate.

2004
Added another high speed tube mills from Gallium 1.5" To 4".

2006
Added another high speed tube mills from Gallium 0.5" To 2.5".

Added gallium precision slitter.

Installed a second galvanizing plant.

Added fully automatic threading machine.

Our brand-enhancing customers

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Construction industry
- L&T
- Era Constructions
- Nagarjuna Constructions
- Adani Agri Logistic
- Gammon India
- Reliance Industries
- Kirby Building Systems
- B. L. Kashyap & Sons
- Inter Arch Building Products
- Tiger Steels

Sugar industry
- Triveni Engineering
- Bajaj Hindustan

Chemical industry
Jubilant Organosys

Power industry
Suzlon Energy

Prefab industry
- Sintex Industries
- Modern Prefabs
- NCL Industries

Scaffolding industry
Turbo Scaffolding

Agriculture equipment industry
Uniparts India

Others
- UNICEF
- Coalfields
- Bharat Sanchar Nigam
- Jal Nigam (Uttaranchal)
- Jal Nigam (Uttar Pradesh)
- Bharat Heavy Electricals
- Central Public Works Department

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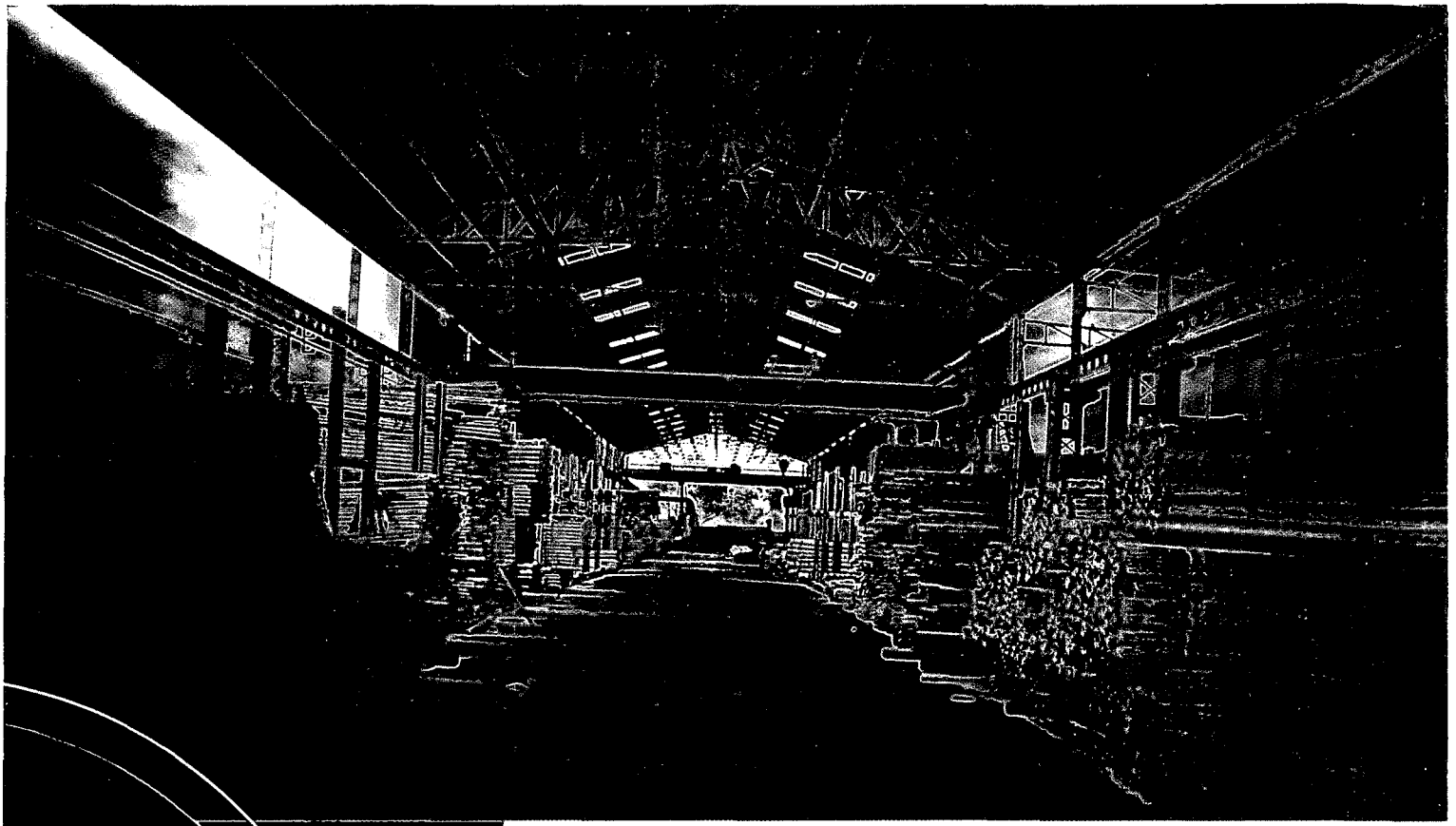

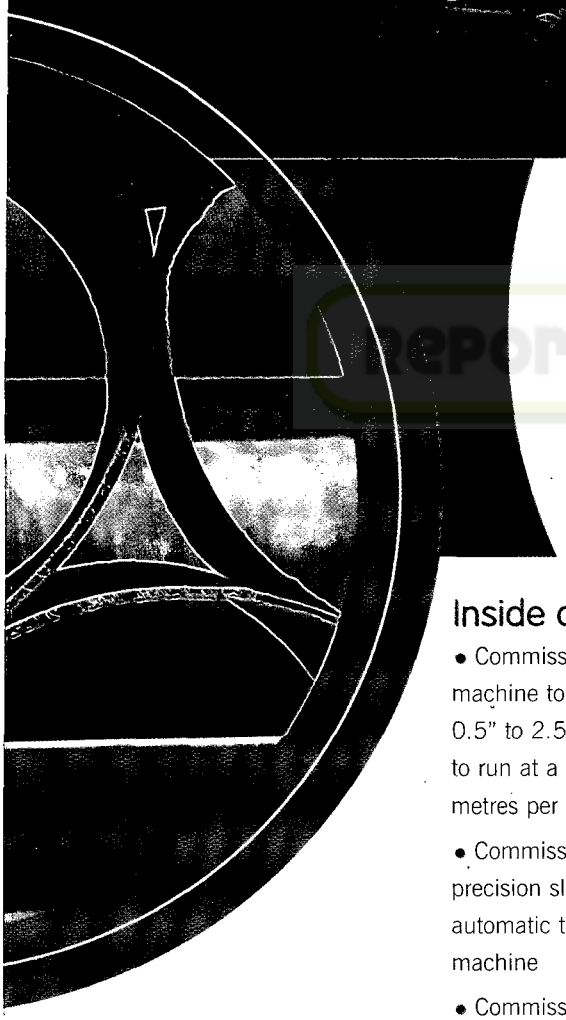

How we strengthened our business in 2006-07

Inside our plants

- Commissioned the latest machine to manufacture 0.5" to 2.5" diameter pipes to run at a speed of 150 metres per minute.
- Commissioned gallium precision slitter and automatic threading machine
- Commissioned a second galvanising plant
- Embarked on a backward integration to manufacture galvanizing coil
- Proposed expansion at Maharashtra for the manufacture of commercial tubes, precision tubes and API tubes (As per the specifications from American Pipe Institute)
- Reported 14% increase in average monthly production from 4,029 MT in 2005-06 to 4,580 MT in 2006-07
- Use of long rolling mills with increased efficiency

Inside our Board room

- Authorised share capital increased from Rs. 5 cr to Rs. 10 cr
- Announcement of bonus shares in the ratio of 1:1
- Announcement and payment of an interim dividend at the rate of 10%
- The Company's securities were permitted to trade on BSE Indonext under the category of S Group with effect from September 2006, enhancing liquidity

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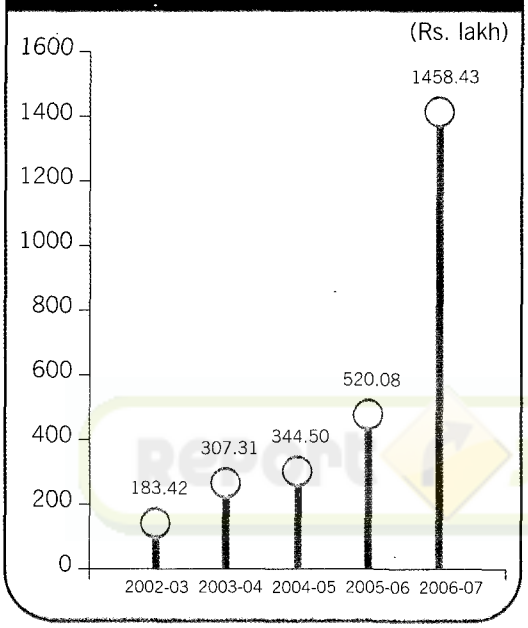
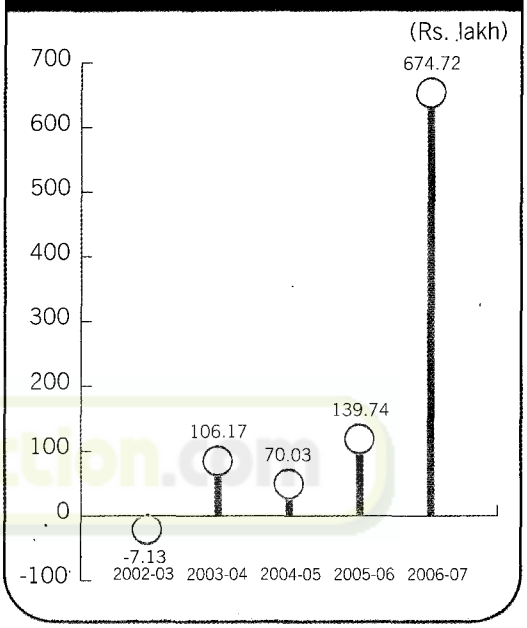
Our strengthening financials

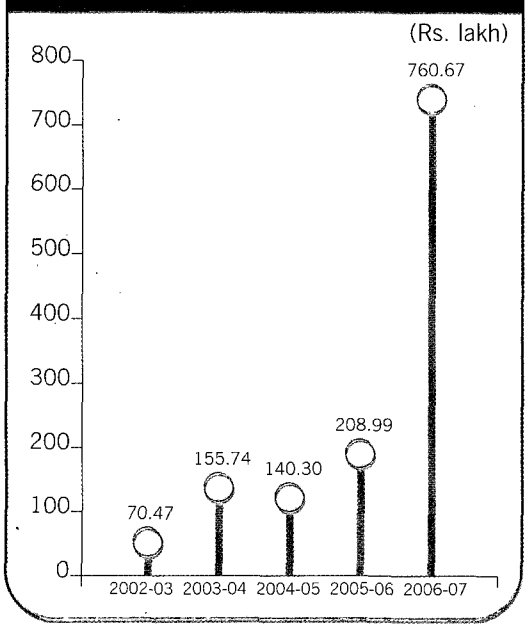
Strengthening EBIDTA



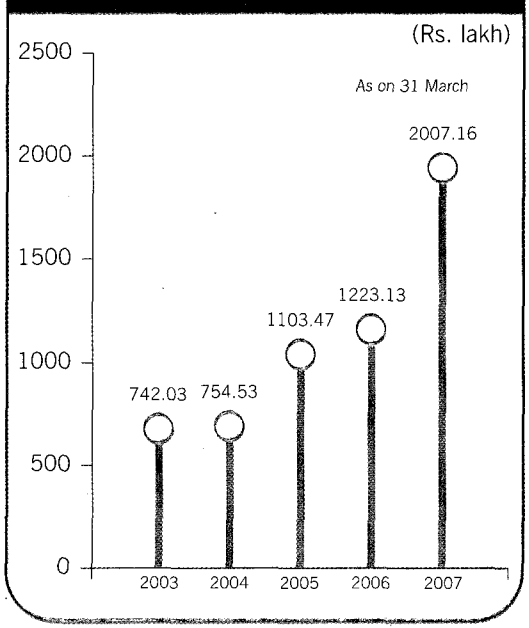
Surging post-tax profit



Rising cash profit



Increasing gross block



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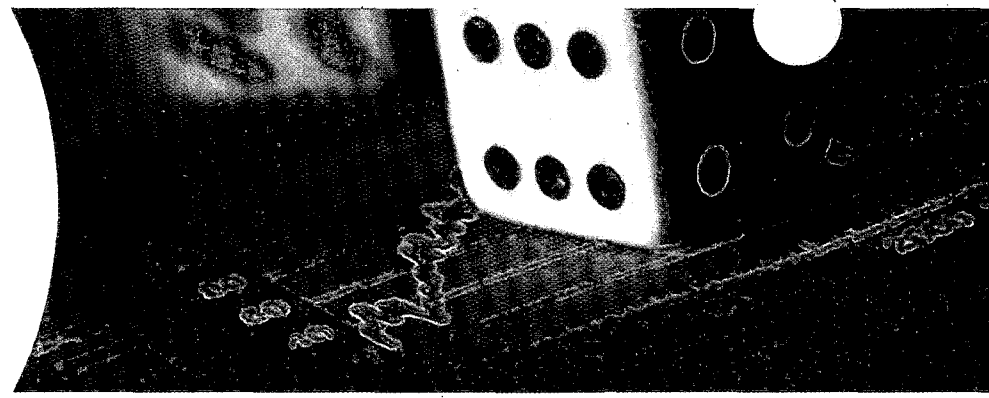
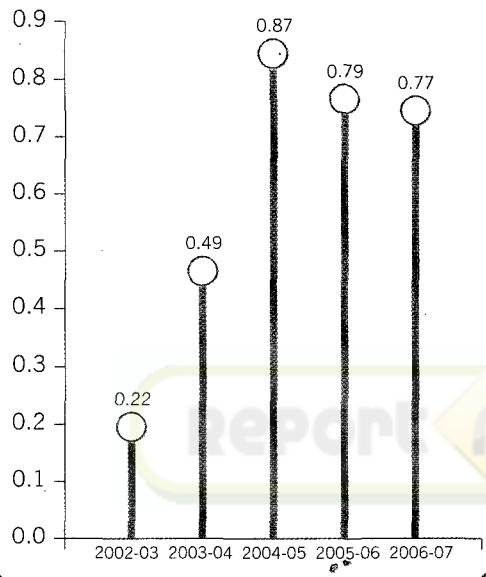
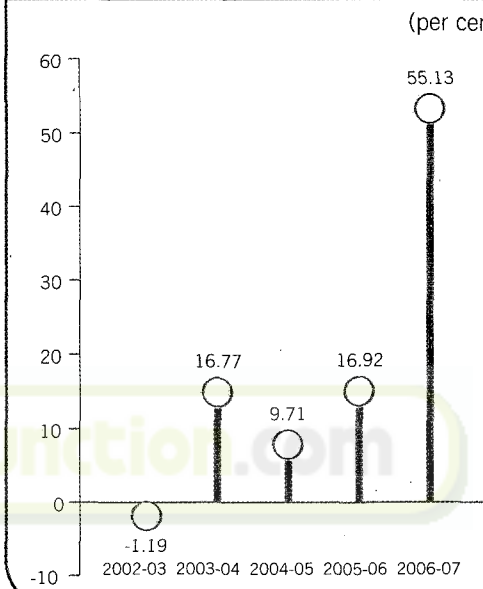


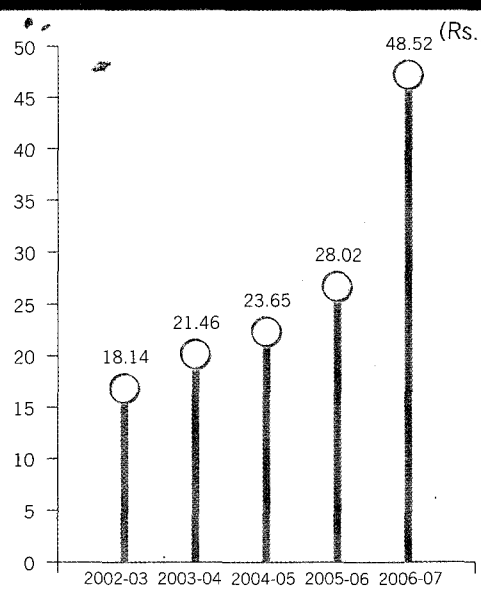
Strong debt-equity ratio



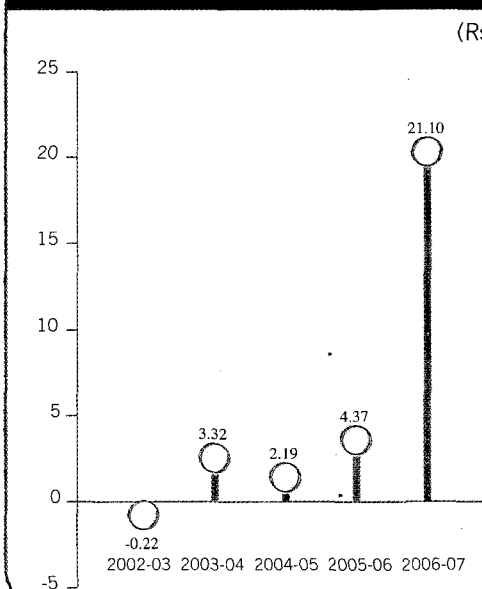
Increasing RONW (average)



Rising book value per share



Growing earnings per share



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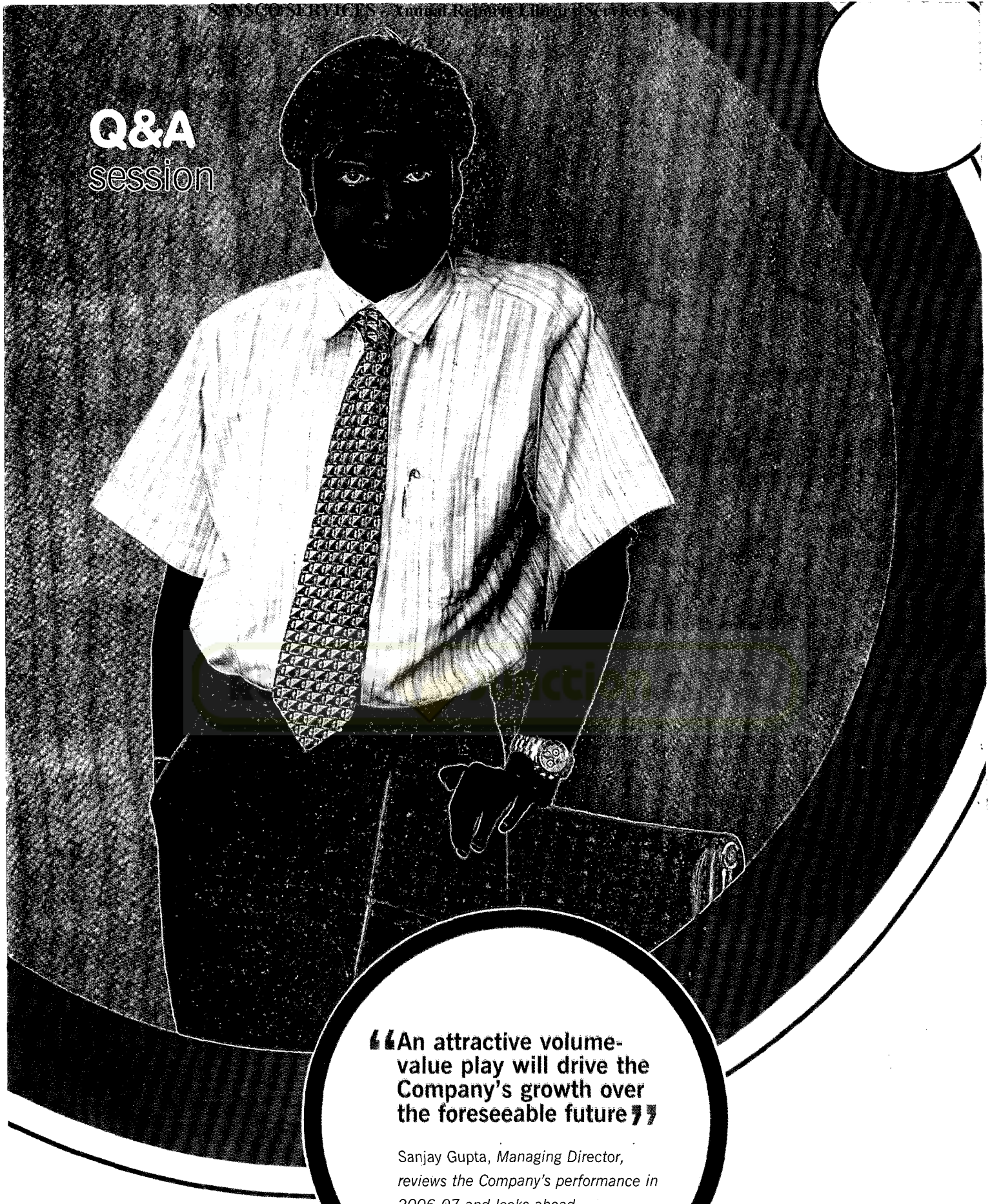
Q&A session



"An attractive volume-value play will drive the Company's growth over the foreseeable future"

Sanjay Gupta, *Managing Director, reviews the Company's performance in 2006-07 and looks ahead*

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