

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

BOARD OF DIRECTORS:

SHRI HARISH CHAND JAIN	(CHAIRMAN & MANAGING DIRECTOR)
SMT RAJSHREE PATNI	(DIRECTOR)
SHRI SUNIL KUMAR JAIN	(INDEPENDENT DIRECTOR)
SHRI DEEPESH JAIN	(INDEPENDENT DIRECTOR)
SHRI MAHENDRA KUMAR JAIN	(INDEPENDENT DIRECTOR)
SHRI PRADEEP JAIN	(CHIEF FINANCIAL OFFICER)

AUDITORS:

PRAMOD & ASSOCIATES
CHARTERED ACCOUNTANTS
JAIPUR

CORPORATE ADVISOR

Ms. SNEHA AGARWAL
COMPANY SECRETARIES
Jaipur

COMPANY SECRETARY

KOMAL BEHL
JAIPUR

BANKERS:

STATE BANK OF BIKANER & JAIPUR

SHARE TRANSFER AGENT

BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.,
BEETAL HOUSE, 3rd FLOOR,
99, MADANGIR,
BEHIND LOCAL SHOPPING CENTRE,
NEAR DADA HARSUKH DAS MANDIR,
NEW DELHI-110 062

REGISTERED OFFICE:

404, SHEKHAWATI COMPLEX,
STATION ROAD, JAIPUR

E-MAIL ID FOR INVESTORS GRIEVANCE

- (1) scores@beetalfinancial.com
- (2) rajtube@hotmail.com

WORKS:

28-37, JATAWALI MOD,
MAHARKALA ROAD, DEHRA
TEH: CHOMU, DIST: JAIPUR
RAJASTHAN-303702

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

NOTICE

Notice is hereby given that Twenty-Ninth Annual General Meeting of the members of RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED will be held at ANOKHA GAON, Near Road No. 14, Vishwakarma Industrial Area, Sikar Road, Jaipur on Saturday, the 26th September, 2015 at 10.00 A.M. to transact the following businesses:

Ordinary Business

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Rajshree Patni (DIN 06934858), who retires by rotation and, being eligible, seeks re-appointment.
3. To appoint Auditors of the company and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s Pramod & Associates, Chartered Accountants, Jaipur (ICAI Registration No. 001557C) be and are hereby appointed as Auditors of the company, to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the company at such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2016 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof, for the time being in force), M/s. G.K. Gupta & Company, (Firm Registration No. 100205), Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year ending March 31, 2016, be paid the remuneration amounting to 18000/- (Rupees Eighteen Thousand Only) excluding out of pocket expenses if any;

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Company Secretary, be and are hereby severally authorized to take all steps and do all such acts, matters, deeds and things and give such directions as may be required, necessary, expedient or desirable for giving effect to the aforesaid resolution, and also further to comply with the requirements, if any, under the Companies Act, 2013.”

By Order of the Board of Directors

July 30, 2015

Registered Office:

404, Shekhawati Complex,

Station Road,

JAIPUR

Ph No.- 0141-2372734

CIN: L27107RJ1985PLC003370

Sd/-

(Komal Behl)

Company Secretary

M.no.A35516

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The proxy form duly completed and stamp must reach the Registered Office of the company at 404, Shekhawati Complex, Station Road, Jaipur not less than 48 hours before the time of holding the aforesaid meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder as per Section 105 of Companies Act, 2013.
2. Shareholders are requested to inform the company immediately of any change in their address.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communications including Annual report, Notices, Circulars, etc from the Company electronically.
6. The Register of Members and Share Transfer Books of the company will remain closed from 24th September, 2015 to 26th September, 2015 (both dates inclusive).
7. Members are requested to quote their folio number in all their correspondence.
8. Members are requested to bring their copies of Annual Report to the meeting.
9. The shareholders desiring any information as regards accounts are required to write to the Company at an early date so as to enable the Management to keep information ready.
10. Members are requested to bring with them the attendance slip and hand it over at entrance duly signed by them.
11. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
12. Copies of the Annual Report 2014-2015 alongwith Notice of the 29th AGM, instructions for e-voting, Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email address are registered with the Company/ Depository Participant (s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
13. **E-VOTING**
The provisions of the Companies Act, 2013 and Listing Agreement requires, a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings. The complete detail of the instruction for the e-voting is annexed to this notice.

EXPLANATORY STATEMENT

As required by the provisions of Section 102 of the Companies Act 2013, (hereinafter referred to as “the Act”) the following Explanatory Statement set out all material facts relating to the business mentioned under Item No. 4 of the accompanying Notice dated 30th July, 2015.

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/S. G.K. Gupta & Company, the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

By Order of the Board of Directors

July 30, 2015
Registered Office:
404, Shekhawati Complex,
Station Road,
JAIPUR
Ph No.- 0141-2372734
CIN: L27107RJ1985PLC003370

Sd/-
(**Komal Behl**)
Company Secretary
M.no.A35516

RAJASTHAN TUBE MANUFACTURING COMPANY LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their 29th Annual Report on the businesses and operations of your company together with audited statement of accounts for the year ended on 31st March, 2015.

1. FINANCIAL RESULTS:

	For the year ended on 31.3.2015 (Rs.in Lacs)	For the year ended on 31.3.2014 (Rs.in Lacs)
Total Sales & Other Income	9234.30	10383.44
Profit Before Interest & Depreciation	41.10	306.71
Interest	244.94	247.20
Profit/(Loss) Before Depreciation	(203.84)	59.52
Depreciation	25.15	28.59
Profit/ (Net Loss) before Taxation	(228.99)	30.93
Provision for Taxation	-	11.00
Deferred Tax (Net)	(2.55)	(2.78)
Profit/ (Net Loss) after Taxation	(226.44)	22.71
Bal brought forward from previous year	455.41	432.70
Profit available for appropriation	228.97	455.41
Adjustment related to Fixed Asset	1.42	-
Balance carried to Balance Sheet	227.55	455.41

2. DIVIDEND:

Your Directors are unable to recommend any dividend during the year under review in view of losses.

3. RESERVES:

In view of the losses, your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

4. STATE OF COMPANY'S AFFAIR:

During the year under review, the sales and other income during the year decreased to Rs.9234.30 Lacs as compared to Rs. 10383.44 Lacs in the previous year. The Loss after tax during the year was Rs. 226.44 lacs as compared to a profit of Rs.22.71 lacs in the previous year. The company has incurred Losses in this year due to decreasing trend in the prices of steel and slows down in the economy.

5. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business in the year under review.

6. MATERIAL CHANGES & COMMITMENTS:

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the company.

7. ORDERS:

No significant or material orders were passed by the Regulators or courts or tribunals which impact the going concern status and company's operation in future.

8. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has an Internal Control System commensurate with the size, scale complexity of its operations. The company has formulated Internal Financial Control policy according to Sec 134(5)(e) of the Companies Act, 2013.

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

9. DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANY:

The company does not have any subsidiary/ associate or Joint Venture.

10. FINANCIAL POSITION OF SUBSIDIARY/JV/ASSOCIATE COMPANY:

As there is no subsidiary, joint venture or Associate Company, our company is not required to furnish any information regarding this.

11. DEPOSITS:

The Company has not accepted any fixed deposit under Chapter V of the Companies Act, 2013 during the year under report.

12. STATUTORY AUDITORS:

M/s Pramod & Associates, Chartered Accountants, Jaipur retire and being eligible, offer themselves for reappointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The Board has appointed M/s G.K. Gupta & Co., Cost accountants as the cost auditors for conducting the audit of cost records of the Company for various segments for the financial year 2014-15.

13. AUDITORS' REPORT:

The observations of the Auditors have been suitably dealt within the notes on accounts. The Auditor's Report does not contain any qualification, reservation or adverse remark.

14. SHARE CAPITAL:

The paid up equity share capital as on 31st March 2015 was 45078000. During the year under review, the company has neither issued shares with differential voting rights, nor granted stock options and sweat equity. As on March 31, 2015, none of the Directors of the company hold any convertible instruments of the company.

15. EXTRACT OF ANNUAL RETURN:

Extract of Annual Return of the Company as required by Companies Act, 2013 is annexed herewith as Annexure II to this Report.

16. PARTICULARS OF ENERGY CONSUMPTION ETC:

- a) CONSERVATION OF ENERGY: The information pursuant to sub-section 3(m) of section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is either nil or not applicable. However, the company is conscious about its responsibility to conserve energy, power and other energy resources wherever applicable.
- b) TECHNOLOGY ABSORPTION: Your Company has not imported any technology in the year under review.
- c) FOREIGN EXCHANGE EARNING & OUTGO: There was no inflow and outflow of Foreign Exchange during the year.

17. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of CSR are not applicable to the company for the Financial Year 2014-2015 as the company does not fall under the provisions of Section 135 of the Companies Act, 2013.

18. DIRECTORS:

- a) In accordance with the provisions of the Act and the Articles of Association of the Company, Smt Rajshree Patni, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offer herself for re-appointment. During the year under review the members approved the appointments of Smt. Rajshree Patni as an executive Non-Independent Director who is liable to retire by rotation and of Shri Sunil Kumar Jain, Shri Deepesh Jain, and Shri Mahendra Kumar Jain as Independent Directors who are not liable to retire by rotation. The members have also re-appointed Shri Harish Chand Jain as the Managing Director.
- b) The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.
- c) The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

19. NO. OF BOARD MEETINGS:

Seven meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance.

20. AUDIT COMMITTEE:

The Audit Committee comprises Independent Directors namely Shri Sunil Kumar Jain (Chairman), Shri Deepesh Jain and Shri Mahendra Kumar Jain as other members. All the recommendations made by the Audit Committee were accepted by the Board.

21. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The company has a vigil mechanism policy to deal with instance of fraud and mismanagement, if any. The detail of the policy is posted on the website of the company.

22. NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee comprises Independent Directors namely Shri Deepesh Jain (Chairman), Shri Sunil Kumar Jain and Shri Mahendra Kumar Jain as other members. The policy of the committee is stated in the Report on Corporate Governance.

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

There is no outstanding loan & guarantee at the year end as prescribed under section 186 of the Companies Act, 2013. The company has not made any investment during the year as prescribed under section 186 of the Companies Act, 2013.

24. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

During the period under review, the Company had not entered into any material transaction with any of its related parties. None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 36 of Financial Statements, forming part of the Annual Report. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

All related party transactions are negotiated on an arm's length basis, and are intended to further the Company's interests.

25. MANAGERIAL REMUNERATION/PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

NON EXECUTIVE DIRECTOR	RATIO TO MEDIAN REMUNERATION
Mr. Sunil Kumar Jain	0.035
Mr. Deepesh Jain	0.035
Mr. Mahendra Kumar Jain	0.035

EXECUTIVE DIRECTORS	RATIO TO MEDIAN REMUNERATION
Mr. Harish Chand Jain	4.79
Mrs. Rajshree Patni*	-

*Since this information is for part of the year, the same is not comparable.

- b. The remuneration of any of the directors did not increase in the relevant financial year. CFO and CS is appointed in the relevant financial year, therefore, the same is not comparable.
- c. The percentage increase in the median remuneration of employees in the Financial Year:

Median Remuneration at the end of F.Y. 2013-2014	Median Remuneration at the end of F.Y. 2014-2015	% increase in the median remuneration of employees
150400	160000	6.38%

- d. The number of permanent employees on the roll of the company at the end of the relevant financial year: 33
- e. The average increase in the remuneration has been commensurate with the industry.
- f. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of Key Managerial personnel in FY 15 (Rs)	1380800
Revenue (Rs)	922271315
Remuneration of KMP (as % of revenue)	0.15

- g. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year

Particulars	March 31, 2015	March 31, 2014	% change
Market capitalization (Rs)	80238840.00	166337820.00	(51.76)
Price Earning Ratio	-	73.8	-

- h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31, 2015	March 06, 1995	% change
Market Price (BSE)	17.80	15	18.67

- i. The percentile increase in the remuneration of the employees is 51% and there is no increase in the remuneration of managerial personnel, hence comparison is not made.
- j. Comparison of the each remuneration of the key managerial personnel against the performance of the Company:

Name	Harish	Pradeep	Komal Behl
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	Chand Jain (Managing Director)	Jain (Chief Financial Officer)	(Company Secretary) *
Remuneration of FY	720000	480000	
Revenue	922271315	922271315	
Remuneration as % of revenue	0.078	0.052	

*Appointed in the mid of the year therefore comparison not possible.

- k. There is no variable component of remuneration availed by directors in the relevant financial year.
- l. There was no employee in the relevant financial year who received remuneration in excess of the highest paid director.
- m. The company affirms the remuneration is as per the remuneration policy of the company.
- n. There is no such employee who comes under the ambit of the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

26. SECRETARIAL AUDIT REPORT:

As per the requirement of Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014, the Company has obtained a Certificate from Ms. Sneha Agarwal, Company Secretary in Whole time Practice, Confirming that the Company has complied with the provisions of the Companies Act, 2013 in the Financial Year 2014-2015 and a copy of the Secretarial Audit Report is annexed to this Report as Annexure- III.

27. CORPORATE GOVERNANCE:

The company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirement set out by the SEBI. Corporate Governance Report as stipulated under Clause 49 of the Listing Agreement is set out as a separate Annexure-1 which forms part of this report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

28. RISK MANAGEMENT POLICY:

Pursuant to the requirement of Clause 49 of the listing agreement, the company has a robust Enterprise Risk Management framework to identify, evaluate business risk & opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level.

29. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of section 134 (3) (c) of the Companies Act, 2013 your Directors confirm that: