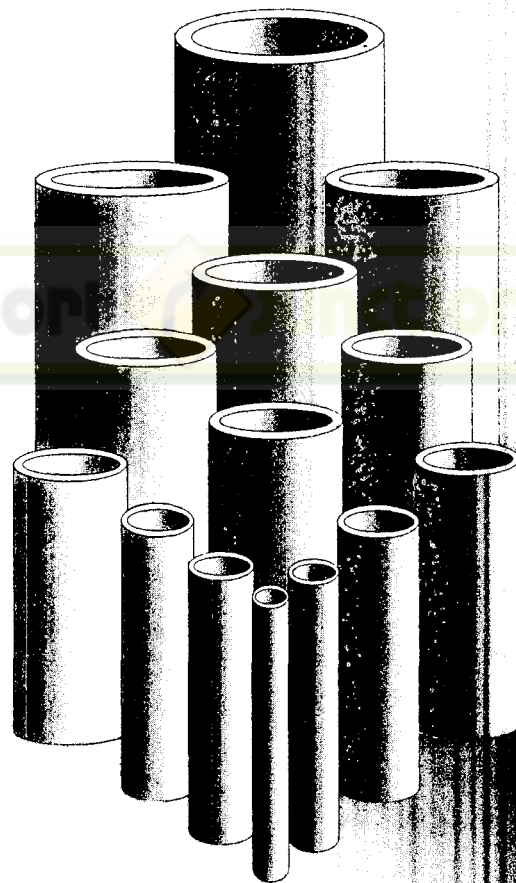


14th Annual Report

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CS	<input checked="" type="checkbox"/>	CS	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>	RO	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>	TRA	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	AGM	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	YE	<input checked="" type="checkbox"/>



RATNAMANI
METALS & TUBES LIMITED



CHAIRMAN'S STATEMENT

DEAR SHAREHOLDER,

IT IS MY GREAT PLEASURE TO WELCOME YOU AS A SHAREHOLDER OF RATNAMANI METALS AND TUBES LTD. (RMTL). THE MERGER OF RATNAMANI ENGINEERING LTD. (REL) AND RATNAMANI FINE TUBES (P.) LTD. (RFTPL) HAS NOW BEEN LEGALLY COMPLETED. RATNAMANI METALS AND TUBES LTD. WAS STARTED IN THE YEAR 1985 TO MANUFACTURE STAINLESS STEEL TUBES AND PIPES IN WIDE RANGE. RATNAMANI ENGINEERING LTD. WAS STARTED AS A MAJOR DIVERSIFICATION IN THE ENGINEERING LINE OF PRODUCTION LIKE PRESSURE VESSELS, HEAT EXCHANGERS. RATNAMANI ENGINEERING LTD. ALSO DIVERSIFIED, THEREAFTER, INTO PRODUCTION OF LARGER DIA "SAW PIPES". THE THIRD COMPANY VIZ. RATNAMANI FINE TUBES (P) LTD., WAS STARTED TO MEET THE SPECIFIC REQUIREMENT OF CARBON AND LOW ALLOY STEEL TUBES. ALL THE THREE COMPANIES WERE ESTABLISHED BY THE SAME ENTREPRENEUR GROUP.

THE MERGER OF THE TWO COMPANIES WITH RATNAMANI METALS & TUBES LTD., WAS NECESSITATED BY THE SWEEPING CHANGES IN OUR COUNTRY'S ECONOMY CAUSED BY ECONOMIC REFORMS. THE TWO COMPANIES, TILL NOW, OPERATED SEPARATELY AS THE LEGAL MERGER COULD TAKE PLACE ONLY DURING THIS YEAR.

WE ARE NOW INTEGRATING THE OPERATIONS OF ALL THE THREE COMPANIES AND EXPECT TO DERIVE BENEFITS FROM THE MERGER THROUGH ECONOMICS OF SCALE OF OPERATIONS RESULTING IN HIGHER EFFICIENCIES BOTH IN PRODUCTION AND MARKETING. THE COMPANY IS NOW ENGAGED MAINLY FOR THE MANUFACTURE OF THE FOLLOWING PRODUCTS :

- (1) STAINLESS STEEL TUBES AND PIPES (SSTP) - COMPRISING OF WELDED AND SEAMLESS SS PIPES AND TUBES.
- (2) CARBON STEEL SEAMLESS TUBES (CSST) - COMPRISING OF C.S. HEAT EXCHANGERS TUBES.
- (3) SAW PIPES (SP) - COMPRISING OF L/S, C/S SAW PIPES.

AS PER THE SCHEME OF AMALGAMATION, APPROVED BY THE HONOURABLE HIGH COURT OF GUJARAT, THE SHAREHOLDERS OF ERSTWHILE RATNAMANI ENGINEERING LTD., WOULD RECEIVE ONE EQUITY SHARE OF RS. 10/- OF RATNAMANI METALS AND TUBES LTD., IN EXCHANGE OF THREE EQUITY SHARES OF RS. 10/- HELD IN ERSTWHILE RATNAMANI ENGINEERING LTD., THE BOARD OF DIRECTORS HAS DECIDED 24TH DECEMBER, 1998 AS THE RECORD DATE, AFTER WHICH EQUITY SHARES OF RATNAMANI ENGINEERING LTD., SHALL BE DEEMED TO HAVE BEEN AUTOMATICALLY CANCELLED AND WILL BE OF NO EFFECT AND VALUE. THE BOARD HAS DECIDED THAT INSTEAD OF REQUIRING TO SURRENDER THE SHARE CERTIFICATES FROM THE SHAREHOLDERS OF RATNAMANI ENGINEERING LTD., THE COMPANY WOULD DIRECTLY ISSUE AND DESPATCH THE NEW SHARE CERTIFICATES AFTER THE SHARES ARE ALLOTTED TO THEM.

YOUR COMPANY'S LONG TERM PLAN IS FOR QUALITY AND PRODUCTIVITY TO INTERNATIONAL STANDARDS TO ACHIEVE COMPLETE CUSTOMER SATISFACTION AS WELL AS TO AUGMENT ITS RANGE FOR VALUE-ADDED-PRODUCTS.

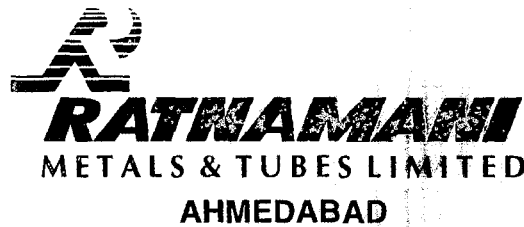
THANKING YOU,

YOURS TRULY,

PRAKASH M. SANGHVI

CHAIRMAN

7th Nov., 1998



Board of Directors	:	Shri Prakash M. Sanghvi <i>Chairman & Managing Director</i> Shri Jayantilal M. Sanghvi <i>Whole-time Director</i> Shri S. Solanki <i>Whole-time Director</i> Shri D. C. Anjaria Shri Manohar P. Kanungo Shri Shanti M. Sanghvi <i>Additional Director</i>
Bankers	:	Dena Bank Punjab National Bank State Bank of India
Auditors	:	M/s. Mehta Lodha & Co. Chartered Accountants 63, Hirabhai Market Diwan Ballubhai Road Ahmedabad - 380 022
Registered Office	:	17, Rajmugat Society Naranpura Char Rasta Naranpura Ahmedabad - 380 013
Works	:	Ahmedabad-Mehsana Highway Village – Indrad Nr. Chhatral GIDC Taluka – Kadi Dist. – Mehsana GUJARAT Plot No. 3306, 3308 & 3309 GIDC - Chhatral Taluka - Kalol Dist. - Mehsana GUJARAT



NOTICE

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Members of RATNAMANI METALS & TUBES LIMITED will be held on Thursday, the 31st December, 1998 at 10.00 a.m. at the Conference Hall of "The Ahmedabad Textile Mills Association", Near "Gurjari", Ashram Road, Ahmedabad-380009 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 1998 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri D. C. Anjaria who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Manohar P. Kanungo who retires at this meeting by rotation but not seeking the re-election and to fill up the vacancy by appointment of Shri Shanti M. Sanghvi as Director of the Company.
5. To re-appoint Auditors from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

6. ORDINARY RESOLUTION :

To consider and if thought fit to pass with or without modifications, the following Resolution as an Ordinary Resolution.

"RESOLVED THAT Shri Shanti M. Sanghvi who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 and Article 148 of the Article of Association of the Company by the Board of Directors and who holds office upto the date of the ensuing Annual General Meeting and being eligible for re-appointment be and is hereby appointed in the vacancy caused by Shri M. P. Kanungo not seeking the re-election, as a Director of the Company liable to retire by rotation in terms of provisions of Article 170 of the Article of Association of the Company.

7. ORDINARY RESOLUTION :

To consider and if thought fit to pass with or without modifications, the following resolution as an Ordinary Resolution.

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and 310 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the approval of the Company be and is hereby accorded to the re-designation and the re-appointment of Shri Prakash M. Sanghvi as Managing Director of the Company for a period of five years with effect from 1st November, 1998 on the following terms and conditions :

- (1) **SALARY** : Rs. 40,000/- per month (Rupees Forty thousand only) with annual increments at the discretion of the Board.
- (2) **COMMISSION** : Maximum upto 5% of the annual net profits for the Managing Director as decided by the Board of Directors on year to year basis and to all

Managerial personnel taken together not exceeding 10% of the net profits of the Company.

- (3) **PERQUISITES** : In addition to the salary he shall be entitled to perquisites such as fully, furnished house or house rent allowance in lieu thereof; expenses incurred on gas, electricity, water and furnishing, repairs, medical benefits for self and family, leave travel concession for self and family, club fees, personal accident insurance and mediclaim policy and/or any other allowances provided that such perquisites be restricted to annual salary or Rs. 5,00,000/- per annum (Rs. Five lac only) whichever is less.
- (4) The salary and perquisites as mentioned above at items 1, 2 and 3 will be exclusive of
 - (a) **Provident Fund** : Contribution of Provident Fund Superannuation Fund, Annuity Fund to the extent the same are not taxable under the Income Tax Act.
 - (b) **Gratuity** : Gratuity not exceeding half month's salary for each completed years of service.
 - (c) **Encashment of Leave** : Leave unavailed of to be allowed to be encashed as per rules of the Company.
- (5) **Car and Telephone** : Provision of car with driver, and Telephone at the residence, (Personal use of car and long distance personal telephone calls will be chargeable to the appointee) which shall not be included in the computation of perquisites.

"RESOLVED further that in the event of inadequacy or absence of profits in any financial year the Managing Director shall be paid above remuneration as minimum remuneration as specified in item No. 1 and 3 above."

"The Company shall reimburse to him such expenses as he may incur on behalf of the Company."

The Managing Director shall not be liable to retire by rotation.

Managing Director shall not be entitled to receive any sitting fees for attending the meeting of the Board of Directors or Committee thereof."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary the said terms and conditions of remuneration subject to the limits set out in the existing applicable Schedule XIII to the Companies Act, 1956."

"RESOLVED further that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be necessary to give effect to this Resolution."

8. ORDINARY RESOLUTION :

To consider and if thought fit to pass with or without modifications, the following Resolution as an Ordinary Resolution.

"RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and 310 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 the approval of the Company be and is hereby accorded to the re-appointment of Shri Jayantibhai M. Sanghvi as Wholetime Director of the Company for a period of five



years with effect from 1st November, 1998 on the following terms and conditions :

- (1) **SALARY** : Rs. 30,000/- per month (Rupees Thirty thousand only) with annual increments at the discretion of the Board.
- (2) **COMMISSION** : Commission, subject to the provisions of sections 198 and 309 of the Companies Act, 1956 shall be on percentage of the Net Profits and such amount as Board of Directors of the Company may determine, keeping in view the performance of the Company in each financial year.
- (3) **PERQUISITES** : In addition to the salary he shall be entitled to perquisites such as fully furnished house or house rent allowance in lieu thereof; expenses incurred on gas, electricity, water and furnishing, repairs, medical benefits for self and family, leave travel concession for self and family, club fees, personal accident insurance and mediclaim policy and/ or any other allowances provided that such perquisites be restricted to annual salary or Rs. 4,00,000/- per annum (Rs. Four lac only) whichever is less.
- (4) The salary and perquisites as mentioned above at items 1, 2 and 3 will be exclusive of
 - (a) **Provident Fund** : Contribution of Provident Fund Superannuation Fund, Annuity Fund to the extent the same are not taxable under the Income Tax Act.
 - (b) **Gratuity** : Gratuity not exceeding half month's salary for each completed years of service.
 - (c) **Encashment of Leave** : Leave unavailed of to be allowed to be encashed as per rules of the Company.
- (5) **Car and Telephone** : Provision of car with driver, and telephone at the residence, (Personal use of car and long distance personal telephone calls will be chargeable to the appointee) which shall not be included in the computation of perquisites.

RESOLVED Further that in the event of inadequacy or absence of profits in any financial year the Wholetime Director shall be paid above remuneration as minimum remuneration as specified in item No. 1 and 3 above."

"The Company shall reimburse to him such expenses as he may incur on behalf of the Company.

The Wholetime Director shall not be liable to retire by rotation.

Wholetime Director shall not be entitled to receive any sitting fees for attending the meeting of the Board of Directors or Committee thereof."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary the said terms and conditions of remuneration subject to the limits set out in existing applicable Schedule XIII to the Companies Act, 1956."

"RESOLVED further that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things and matters as may be necessary to give effect to this Resolution."

9. ORDINARY RESOLUTION :

To consider and if thought fit to pass with or without modifications, the following Resolution as an ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, and subject to the approval of the Members in the General Meeting. Shri S. Solanki be and is hereby appointed as a Whole-time Director of the Company w.e.f. 1-11-1998 for a period of three years.

"RESOLVED FURTHER THAT terms of remuneration shall be governed by the existing applicable Schedule XIII of the Companies Act, 1956 and will be as under :

1. **Salary** : Rs. 25,000/- per month (Rupees Twenty Five thousand per month) with annual increment at the discretion of the Board.
2. **Commission** : Commission subject to the provisions of sections 198 and 309 of the Companies Act, 1956 shall be on percentage of the Net Profits and such amount as Board of Directors of the Company may determine, keeping in view the performance of the Company in each financial year.
3. **Perquisites** : Perquisites would be as agreed to by the Board of Directors and the Whole-time Director subject to a ceiling of Rs. 3,00,000/- per annum (Rupees Three lac per annum).
4. Salary and Perquisites as mentioned above at item No. 1, 2 and 3 will be exclusive of :
 - (a) **Provident Fund** : Contribution of Provident Fund Superannuation Fund, Annuity Fund to the extent the same are not taxable under the Income Tax Act.
 - (b) **Gratuity** : Gratuity not exceeding half month's salary for each completed years of service.
 - (c) **Encashment of Leave** : Leave unavailed of to be allowed to be encashed as per rules of the Company.

5. **Car and Telephone** : Provision of car with driver for use of Company's business and telephone at residence but personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Director.

6. The Whole-time Director shall be liable to retire by rotation.

7. The appointee shall not be entitled to receive any sitting fees for attending the Meeting of the Board of Directors or Committee thereof.

"RESOLVED FURTHER THAT in case of no profits or inadequacy of Profits, in any financial year the appointee shall be entitled to receive the above salary and perquisites as minimum remuneration."

10. ORDINARY RESOLUTION :

To consider and if thought fit to pass with or without modifications, the following Resolution as an ordinary Resolution.



"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII of the said Act, and subject to the approval of the Members in the General Meeting, Shri Shanti M. Sanghvi be and is hereby appointed as a Director (Marketing) of the Company w.e.f 1-11-1998 for a period of three years."

"RESOLVED FURTHER THAT terms of remuneration shall be governed by the existing applicable Schedule XIII of the Companies Act, 1956 and will be as under :

1. **Salary** : Rs. 20,000/- per month (Rupees Twenty thousand per month) with annual increment at the discretion of the Board.
2. **Commission** : Commission subject to the provisions of sections 198 and 309 of the Companies Act, 1956 shall be on percentage of the Net Profits and such amount as Board of Directors of the Company may determine, keeping in view the performance of the Company in each financial year.
3. **Perquisites** : Perquisites would be as agreed to by the Board of Directors and the Whole-time Director subject to a ceiling of Rs. 3,00,000/- per annum (Rupees Three lac per annum).
4. Salary and Perquisites as mentioned above at item No. 1, 2 and 3 will be exclusive of :
 - (a) **Provident Fund** : Contribution of Provident Fund Superannuation Fund, Annuity Fund to the extent the same are not taxable under the Income Tax Act.
 - (b) **Gratuity** : Gratuity not exceeding half month's salary for each completed years of service.
 - (c) **Encashment of Leave** : Leave unavailed of to be allowed to be encashed as per rules of the Company.
5. **Car and Telephone** : Provision of car with driver for use of Company's business and telephone at residence but personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Director.
6. The Whole-time Director shall be liable to retire by rotation.
7. The appointee shall not be entitled to receive any sitting fees for attending the Meeting of the Board of Directors or committee thereof.

"RESOLVED FURTHER THAT in case of no profits or inadequacy of Profits, in any financial year the appointee shall be entitled to receive the above salary and perquisites as minimum remuneration."

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
2. Proxies, in order to be effective, must be received at the Company's Registered Office, not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24th December, 1998 to Thursday, 31st December, 1998 (both days inclusive).
4. The dividend, if declared, will be paid to those members whose names appear on the Register of Members as on 31st December, 1998 being the record date for the purpose and will be made payable from 5-2-1999 to 4-5-1999.
5. Members are requested to notify immediately the change, if any, in their Registered Address to the Company's Registered Office.
6. Queries on "Accounts and Operations" of the Company if any, may please be sent to the Company ten days in advance of the Meeting so that the answers are readily available at the meeting.
7. Kindly quote your LF numbers in all your future correspondence.
8. Members are requested to bring their copy of the Annual Reports to the Annual General Meeting of the Company.
9. Members are also requested to intimate to the Company, if Shares are held in the same name or in the same identical order of names, in more than one account, to enable us to amalgamate all such accounts into one.
10. **WITH A VIEW TO SAFEGUARD THE INTEREST OF THE SHAREHOLDERS AGAINST FRAUDULENT PRACTICE, THE COMPANY IS OFFERING THE FACILITY EITHER TO REGISTER MANDATE OR TO HAVE THE NAMES OF THEIR BANKERS AND THE ACCOUNT NUMBER TO BE PRINTED ON ALL FUTURE DIVIDEND WARRANTS. ALL SHARE-HOLDERS ARE THEREFORE REQUESTED TO GIVE US THE BANK PARTICULARS LATEST BY 30TH DECEMBER 1998. IN CASE THE DETAILS ARE NOT SENT, THE COMPANY WILL IN NO WAY BE RESPONSIBLE IF ANY LOSS OCCURS TO THEM.**
11. Unpaid dividends due for transfer to the Central Government account shall be transferred on due dates in accordance with the provisions contained in the Companies Act, 1956 :
Members who have not encashed their dividends are requested to approach/write to the company immediately for obtaining duplicate Dividend warrants.

Registered Office :
17, Rajmugat Society
Naranpura Char Rasta
Ahmedabad-380 013.

By the Order of the
Board of Directors

V. C. Bhagat
Company Secretary

AHMEDABAD.
31st OCTOBER, 1998

Registered Office :
17, Rajmugat Society
Naranpura Char Rasta
Ahmedabad-380 013.

By the Order of the
Board of Directors

V. C. Bhagat
Company Secretary

AHMEDABAD.
31st OCTOBER, 1998



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6:-

Shri Shanti M. Sanghvi was Director and wholtime Director on the Board of Directors of erstwhile Ratnamani Engineering Ltd., and Ratnamani Fine Tubes Pvt. Ltd., respectively. The Board of Directors in its meeting held on 31st October, 1998 appointed Shri S.M.Sanghvi as Additional Director of the Company under Section 260 of the Companies Act, 1956 and Article 148 of the Article of Association of the Company and therefore, he holds office upto the date of the ensuing Annual General Meeting. The Company has received notice from member togetherwith requisite deposits under Section 257 of the Companies Act, signifying his intention to propose Shri S.M.Sanghvi as Director of the Company at the ensuing Annual General Meeting.

In consideration of the valuable and beneficial services given by Shri S.M.Sanghvi in the erstwhile Ratnamani Engineering Ltd., and erstwhile Ratnamani Fine Tubes Pvt. Ltd., and keeping in mind his experience in this field the Board of Directors thought fit to appoint him as Director in the Company so that his wide knowledge and experience would be useful to the Company. The Company would therefore, be benefited by his expertise. The Board of Directors therefore, recommends his appointment.

None of the other Directors of the Company except Shri Prakash M. Sanghvi and Shri Jayantibhai M.Sanghvi being related and Shri Shanti M. Sanghvi himself may be deemed to be concerned or interested in the Resolution.

ITEM NO. 7 :-

Shri Prakash M. Sanghvi was re-appointed as wholtime Director of the Company at the TENTH Annual General Meeting held on 27th September, 1994 for a period of five years from 12th June, 1994 on a remuneration within the overall limits provided in the Schedule XIII of the Companies Act, 1956. Shri Prakash M. Sanghvi is looking after Marketing, Finance & Projects and has established a vide distribution network for Tubes and Pipes.

In view of the approval of the Scheme of Amalgamation by the High Court of Gujarat, Ratnamani Engineering Ltd., and Ratnamani Fine Tubes P.Ltd., merged with our Company resulting in increasing the responsibilities of Shri Prakash M. Sanghvi, the Board of Directors decided to re-designate him as Managing Director. Moreover in order to ensure continuity in the Management of the Company the Board of Directors in their meeting held on 31/10/1998 thought fit to re-appoint him with the revised designation as Managing Director for a period of five years with effect from 1st November, 1998 on the terms and conditions enumerated in the Resolution subject to the approval of the Company in the General Meeting. His terms of remuneration specified in the Resolution are in conformity with the provisions of Schedule XIII of the Companies Act, 1956. However, the Board of Directors are being

empowered to review his remuneration and grant suitable increases whether by way of salary, commission, allowances and or perquisites within the overall limits. The Board recommends to approve the Resolution.

The Company will enter into new agreement with Shri Prakash M. Sanghvi for his re-appointment as managing Director embodying the principle terms and conditions enumerated in the Resolution. The draft agreement will be open for inspection by the Members at the Registered Office of the Company on any working days between 11.00 a.m. to 1.00 p.m.

The above may also be treated as an abstract of the terms and conditions of their re-appointment under Section 302 of the Companies Act, 1956.

Shri Prakash M. Sanghvi is concerned or interested in the said Resolution as it relates to his own appointment as Managing Director and the payment of remuneration to him.

Shri Shanti M.Sanghvi, Director (Marketing) and Shri Jayantilal M.Sanghvi, whole-time Director of the Company are also concerned or interested in the said Resolution as they are relatives of Shri Prakash M.Sanghvi.

None of the other Directors of the Company is interested or concerned in the resolution.

ITEM NO. 8 :-

Shri Jayantibhai M. Sanghvi was re-appointed as wholtime Director of the Company at the TENTH Annual General Meeting held on 27th September, 1994 for a period of five years from 12th June, 1994 on a remuneration within the overall limits provided in the Schedule XIII of the Companies Act, 1956. Shri Jayant M. Sanghvi is looking after the Factory Administration. He has developed excellent Government and Business contacts. He is a key person for overseeing the production, project implementation and human resources management.

In order to ensure continuity in the Management of the Company the Board of Directors in their meeting held on 31-10-1998 thought fit to re-appoint him as Wholtime Director for a period of five years with effect from 1st November, 1998 on the terms and conditions enumerated in the Resolution subject to the approval of the Company in the General Meeting. His terms of remuneration specified in the Resolution are in conformity with the provisions of Schedule XIII of the Companies Act, 1956. However, the Board of Directors are being empowered to review his remuneration and grant suitable increases whether by way of salary, commission, allowances and or perquisites within the overall limits. The Board recommends to approve the Resolution.

The Company will enter into new agreement with Shri Jayantibhai M. Sanghvi for his re-appointment embodying the principle terms and conditions enumerated in the Resolution. The draft agreement will be open for inspection by the Members at the Registered Office of the Company on any working days between 11.00 a.m. to 1.00 p.m.



The above may also be treated as an abstract of the terms and conditions of his re-appointment under Section 302 of the Companies Act, 1956.

Shri Jayantibhai M. Sanghvi is concerned or interested in the said Resolution as it relates to his own appointment as Wholetime Director and the payment of remuneration to him.

Shri Prakash M. Sanghvi, Managing Director and Shri Shanti M. Sanghvi Director (Marketing) of the Company are also concerned or interested in the said Resolution as they are relatives of Shri Jayanti M. Sanghvi.

None of the other Directors of the Company is interested or concerned in the resolution.

ITEM No. 9 :

Shri S. Solanki was appointed as a Director on our Board with effect from 27th September, 1994. He was since 1-5-95 working as Wholetime Director on the Board of Directors of erstwhile Ratnamani Engineering Ltd.,

The Board of Directors in their meeting held on 31st October, 1998 appointed Shri S. Solanki as Wholetime Director with effect from 1st November, 1998 for a period of three years subject to the approval of the Members of the Company in the General Meeting.

Shri S. Solanki, born in 1932, has obtained B.Sc. (Metallurgical Engineering) from Banaras Hindu University in 1956. He has to his credit long Industrial experience of 38 years in different capacities as Manager, General Manager and Director in Industries such as Hindustan Steel Limited, Hindustan Copper Limited, Hindustan Zinc Limited etc. He has visited various countries such as West Germany, Poland, Finland, Belgium, Japan in connection with the technology updating and absorption.

Considering the experience and qualification of Shri S. Solanki, the Board is of the opinion that it would be appropriate to appoint him as Wholetime Director. His terms of appointment and remuneration is mentioned in the resolution No. 9. The same may be treated as an abstract of the terms of appointment of the Whole-time Director as required under Section 302 of the Companies Act, 1956.

None of the Directors except Shri S. Solanki is concerned or interested in the resolution.

ITEM No. 10 :

Shri Shanti M. Sanghvi was a Director on the Board of erstwhile Ratnamani Engineering Ltd., with effect from 27th

September, 1988. Since 17th April, 1995 he was also working as Whole-time Director on the Board of Directors of erstwhile Ratnamani Fine Tubes P. Ltd.,

The Board of Directors in the meeting held on 31st October, 1998 appointed Shri Shanti M. Sanghvi as Director (Marketing) with effect from 1st November, 1998 for a period of three years on a remuneration mentioned in Resolution No. 10 subject to the approval of the Members of the Company in the General Meeting.

Shri Shanti M. Sanghvi is responsible for co-ordinating support service between the customers and central marketing division of the company as well as finalising offers with customers in the country. Mr. Sanghvi is based in Mumbai and closely associated with metal market. He also ensures effective after-sales services to the customers. He is also looking after maintaining the Administrative work of the Company's Branch office at Mumbai.

Considering the experience of Shri Shanti M. Sanghvi, the Board is of the opinion that it would be appropriate to appoint him as Director (Marketing). His terms of appointment and remuneration is mentioned in the Resolution No. 10. The same may be treated as an abstract of his terms of appointment as required under Section 302 of the Companies Act, 1956.

Shri Shanti M. Sanghvi is concerned or interested in the said Resolution as it relates to his own appointment as Director (Marketing) and the payment of remuneration to him.

Shri Prakash M. Sanghvi, Managing Director and Shri Jayantilal M. Sanghvi, Whole-time Director of the Company are also concerned or interested in the said Resolution as they are relatives of Shri Shanti M. Sanghvi.

None of the other Directors of the Company is interested or concerned in the resolution.

Registered Office :
17, Rajmugat Society
Naranpura Char Rasta
Ahmedabad-380 013.

By the Order of the
Board of Directors

V. C. Bhagat
Company Secretary

AHMEDABAD.
31st OCTOBER, 1998



DIRECTORS' REPORT

To,
The Members

The Board of Directors have pleasure in presenting the FOURTEENTH Annual Report with Audited Accounts of the Company for the year ended 31st March, 1998.

1. AMALGAMATION :

The Scheme of Amalgamation of Ratnamani Engineering Ltd. (REL) and Ratnamani Fine Tubes P. Ltd., (RFTPL) with our Company (RMTL) with effect from 1st April, 1995 (appointed day), as approved by the shareholders of all the three companies at their respective Extraordinary General Meetings held on 17th January, 1996, was approved by the Honourable High Court of Gujarat on 21st September, 1998. The Company filed a certified true copy of the order of the High Court of Gujarat with the Registrar of Companies, Gujarat on 15th October, 1998 making the Amalgamation effective. Accordingly Ratnamani Engineering Ltd., and Ratnamani Fine Tubes P. Ltd., now stand merged with your Company. **Consequently the figures for the current year are amalgamated figures and are not comparable with the figures of the Company for the previous year ended 31st March, 1997. Moreover other consequential effects of Amalgamation are also carried out in the Annual Report.**

2. FINANCIAL RESULTS : (Rs. in lac)

	1997-98	1996-97
Sales and Other Income	6751.18	4841.19
Profit before Depreciation and tax	612.95	365.41
Less : Depreciation	234.17	79.62
Profit before tax	378.78	285.79
Less : Provision for Taxation	46.24	40.00
Profit after Tax	332.54	245.79
Add : Balance brought forward from previous year	74.94	
Balance B/f. RFTPL.	15.77	90.71
Excess provision written back	10.41	0.03
Less : Dividend Tax for 1996-97	7.09	—
Amount available for appropriation	426.57	245.82
Appropriations :		
General Reserve	50.00	60.00
Proposed Dividend	137.92	
Dividend Tax	13.79	151.71
Debenture redemption reserve	40.00	40.00
Balance carried to Balance Sheet	184.86	74.94
TOTAL...	426.57	245.82

