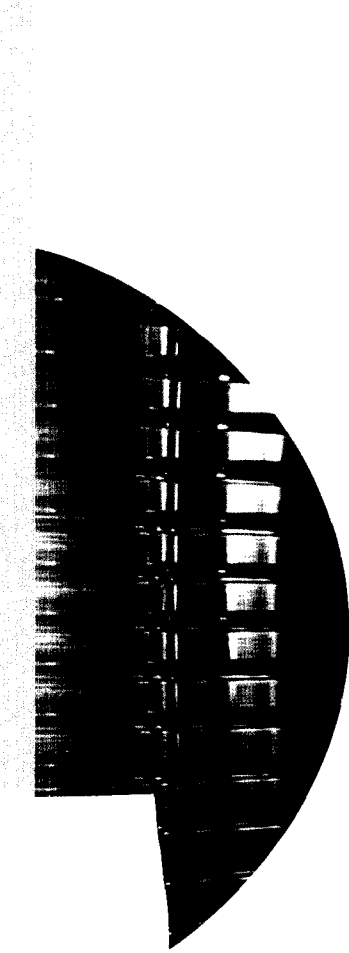


17th Annual Report 2008-09



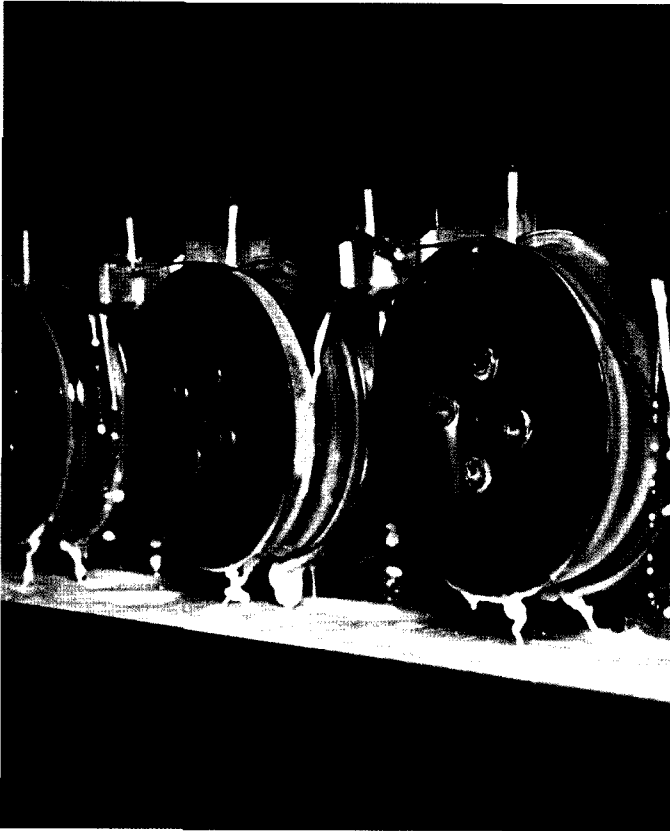
**RAM RATNA WIRES LTD.**  
AN ISO 9001:2000 COMPANY

॥ श्रीः ॥

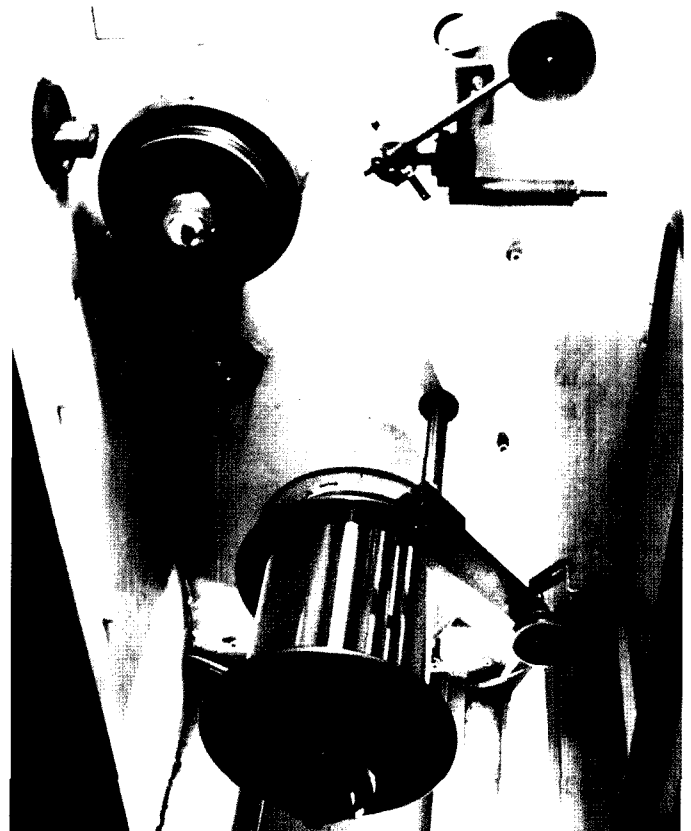
सुतं देवं कंसचाणूरमर्दनम् । देवकीपरमानन्दं कृष्णं वन्दे जगद्गुरुम् ॥

( वसुदेव के पुत्र, जिन्होंने कंस और चाणूर का मर्दन किया, माता देवकी को परम आनन्द प्रदान किया, ऐसे जगद्गुरु श्रीकृष्ण को वंदन करता हूँ । )

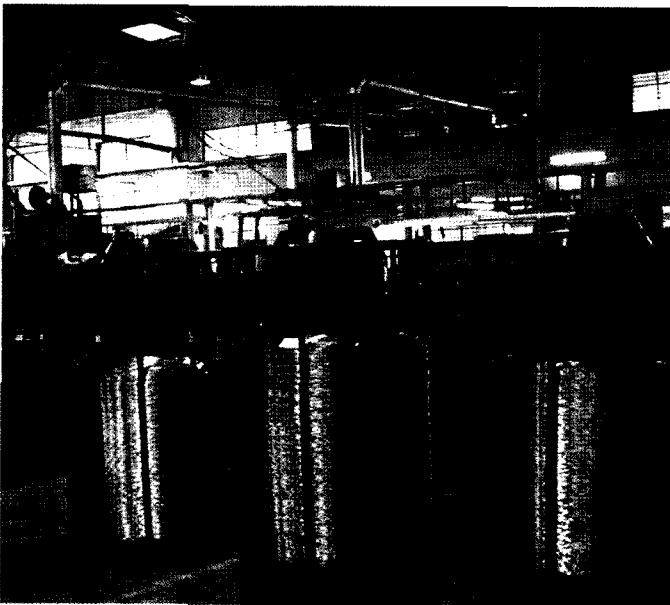
**RR✓SHRAMiK**  
Winding Wire



Low speed inline wire Drawing maintains, surface properties & mechanical properties of Copper.



Completely enclosed PLC controlled Fine Wire Drawing Machine.



View of dust free Enamelling Plant.



Special packing care-silica gel pouches wrapped with stretch film to prevent moisture ingress in Finished Goods.

## 17<sup>th</sup> ANNUAL GENERAL MEETING

Day & Date : Tuesday, 1<sup>st</sup> September, 2009

Venue : Maheshwari Bhavan,  
Plot No. R - 14 & 15, Oshiwara,  
New Link Road Ext., Opp. Tarapur Garden,  
Andheri (West), Mumbai – 400 053

Phone No. : 022 - 2637 4253 / 54 / 56 / 57

Time : 4:30 p.m.

### CONTENTS

### Page No.

Company Information .....	2
Financial Highlights .....	3
Notice of Annual General Meeting .....	6
Directors' Report .....	9
Report on Corporate Governance .....	12
Management's Discussion and Analysis .....	26
Auditors' Report on Financial Statements .....	29
Balance Sheet .....	32
Profit & Loss Account .....	33
Schedules forming Part of the Balance Sheet and Profit and Loss Account .....	34
Significant Accounting Policies and Notes on Accounts .....	40
Cash Flow Statement .....	49
Balance Sheet Abstract .....	50
Attendance Slip and Proxy Form	

**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

<b>Shri Rameshwarlal Kabra</b>	<i>Chairman</i>
<b>Shri Tribhuvanprasad Kabra</b>	<i>Managing Director</i>
<b>Shri Mahendra Kumar Kabra</b>	<i>Director</i>
<b>Shri Vishnu Anant Mahajan</b>	<i>Director</i>
<b>Shri Satyanarayan Loya</b>	<i>Director</i>
<b>Shri Mukund Chitale</b>	<i>Director</i>
<b>Shri Ajai Singh</b>	<i>Director</i>
<b>Shri Naveen Kumar Mandhana</b>	<i>Director</i>

**REGISTERED OFFICE**

Ram Ratna House,  
Oasis Complex, P.B. Marg, Worli, Mumbai - 400 013  
Tel : 91-22-24924144/24949009 Fax : 91-22-24910819  
Website: www.ramratna.com

**CORPORATE OFFICE**

305/A, Windsor Plaza,  
R.C. Dutt Road,  
Alkapuri, Vadodara - 390 007  
Tel : 91-265-2321891/2/3 Fax : 91-265-2321894

**WORKS**

1) Survey No. 212/2,  
Near Dadra Check Post,  
Village : Dadra, Silvassa - 396 193  
U.T. of Dadra & Nagar Haveli

2) Salasar Copper  
Survey No. 142/2, Madhuban Dam Road,  
Village : Karad, Rakholi, Silvassa - 396 240  
U.T. of Dadra & Nagar Haveli

**AUDITORS**

V.C. Darak & Associates  
Chartered Accountants  
"Yashodhan" 1st Floor, Malviya Road,  
Off. Post Office Road, Vile-Parle (East), Mumbai - 400 057  
Tel : 91-22-26161646 Fax : 91-22-26161650

**CONSULTING COMPANY SECRETARY**

Rathi & Associates  
Practicing Company Secretaries  
A-303, Prathamesh, 3rd Floor, 11-12, Senapati Bapat Marg,  
Lower Parel, Mumbai - 400 013  
Tel : 91-22-40764444 Fax : 91-22-40764466

**BANKERS**

State Bank of India  
Allahabad Bank  
Standard Chartered Bank  
Kotak Mahindra Bank Limited

**REGISTRAR AND SHARE TRANSFER AGENT**

Sharepro Services (India) Private Limited  
13 AB, Samhita Warehousing Complex, 2nd Floor,  
Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road,  
Sakinaka, Andheri (E), Mumbai - 400 072.  
Tel : 91-22-67720300/51/52/53 Fax : 91-22-28375646

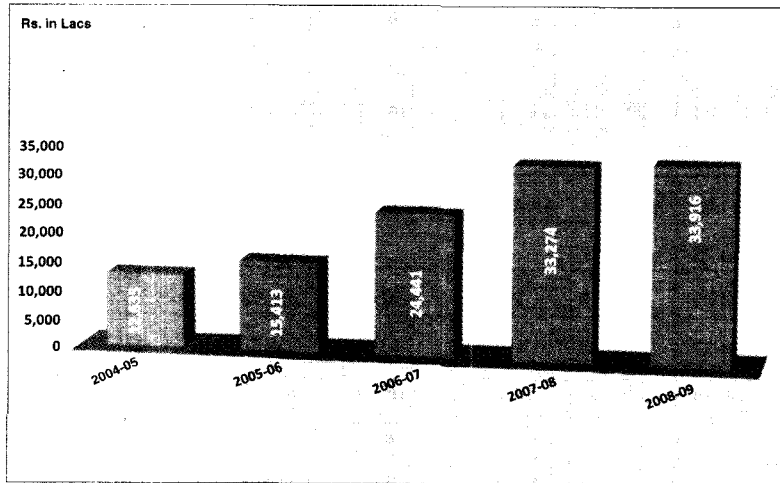
## FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

Description	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
<b>A. Operating Results:</b>								
Sales and related Income	33,916.91	33,274.00	24,441.66	15,413.74	12,635.24	10,166.46	6,876.78	5,999.84
Other Income	23.57	66.73	12.37	2.00	-	-	0.26	-
Net Profit before Taxation	220.95	874.91	162.38	296.81	302.44	216.92	149.50	142.35
Provision for Taxation	83.85	324.27	66.38	107.42	83.03	55.82	46.06	37.23
<b>Net Profit after Taxation</b>	<b>137.10</b>	<b>550.64</b>	<b>96.00</b>	<b>189.39</b>	<b>219.41</b>	<b>161.10</b>	<b>103.44</b>	<b>105.12</b>
<b>B. Financial Position:</b>								
Fixed Assets (Net)	3,025.63	2,544.86	2,153.77	1,908.05	1,035.62	1,048.84	1,091.24	870.99
Current Assets (Net)	4,653.81	5,863.86	4,554.11	2,683.84	2,296.93	1,070.58	688.92	1,161.42
Investments	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
<b>TOTAL ASSETS</b>	<b>7,719.44</b>	<b>8,448.72</b>	<b>6,747.88</b>	<b>4,631.89</b>	<b>3,372.55</b>	<b>2,159.42</b>	<b>1,820.16</b>	<b>2,072.41</b>
Share Capital	1,100.00	1,100.00	947.00	947.00	947.00	767.00	767.00	767.00
Reserves and Surplus	1,749.43	1,708.85	681.14	668.23	663.82	522.07	434.82	360.68
<b>SHAREHOLDERS' FUND</b>	<b>2,849.43</b>	<b>2,808.85</b>	<b>1,628.14</b>	<b>1,615.23</b>	<b>1,610.82</b>	<b>1,289.07</b>	<b>1,201.82</b>	<b>1,127.68</b>
Loan Funds	4,567.11	5,397.99	4,903.06	2,825.19	1,630.99	781.84	542.56	903.24
Deferred Tax	302.90	241.88	216.68	191.47	130.74	88.51	75.78	41.49
<b>TOTAL CAPITAL EMPLOYED</b>	<b>7,719.44</b>	<b>8,448.72</b>	<b>6,747.88</b>	<b>4,631.89</b>	<b>3,372.55</b>	<b>2,159.42</b>	<b>1,820.16</b>	<b>2,072.41</b>
<b>C. Equity Share Data:</b>								
Earning per share (Rs.)	1.25	5.80	1.01	2.00	2.71	2.10	1.35	1.37
Book value	25.90	25.56	17.19	17.06	16.48	16.11	15.13	14.35
Dividend (%)	7.50	15.00	7.50	12.50	12.50	10.00	5.00	-
Number of Shares (in Lacs)	110.00	110.00	94.70	94.70	94.70	76.70	76.70	76.70
<b>D. Operational Performance:</b>								
Production - ECW (Mts)	8,289	7,017	5,044	4,182	3,305	3,140	2,636	2,220
Production - ECS (Mts)	282	90	10	-	-	-	-	-
Capacity Utilisation - ECW (%)	69	70	60	61	79	85	72	77
Capacity Utilisation - ECS (%)	47	15	2	-	-	-	-	-

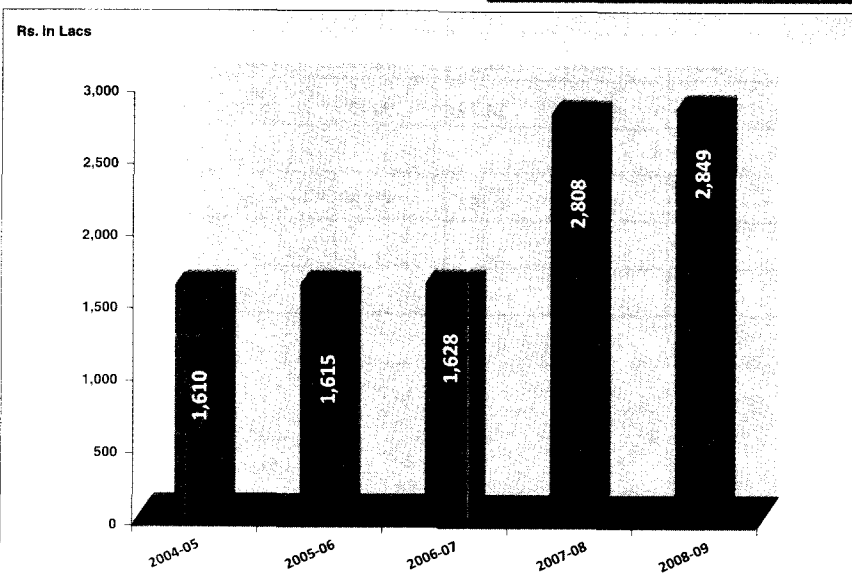
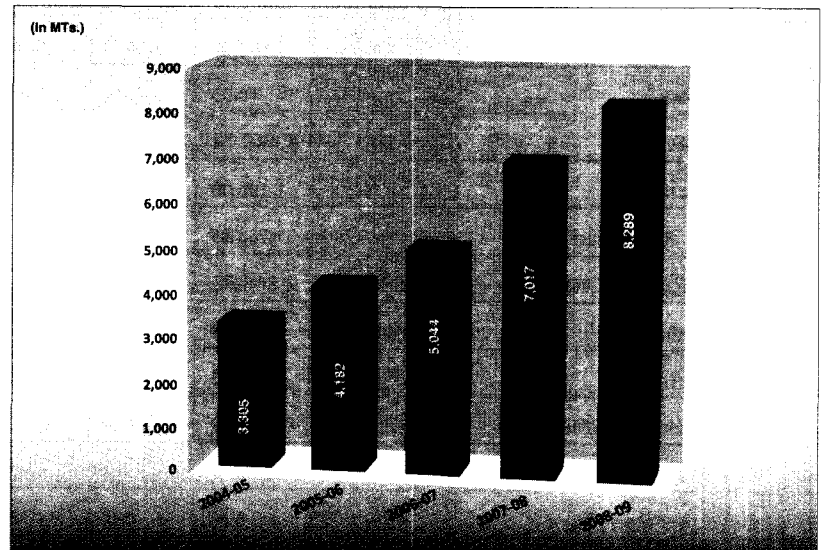
ECW - Enamelled Copper Wire.

ECS - Enamelled Copper Strips.



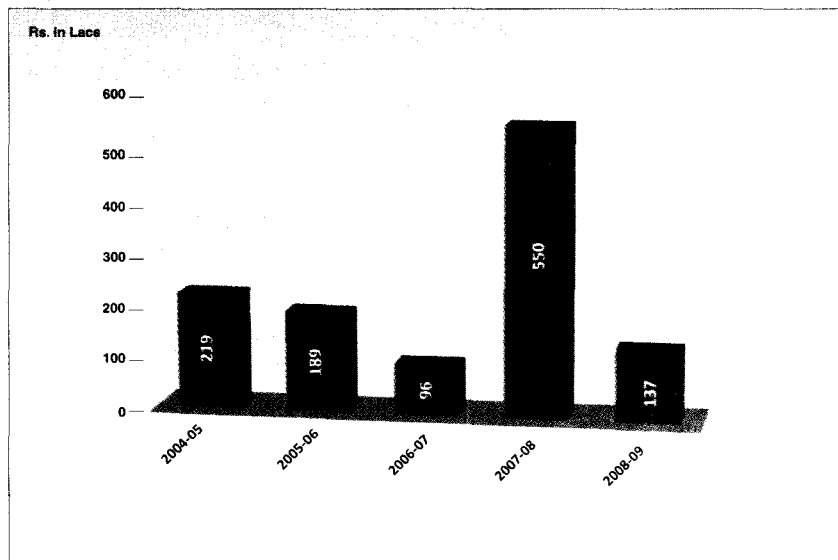
**SALES AND RELATED INCOME**

**PRODUCTION  
ENAMELLED COPPER WIRE**

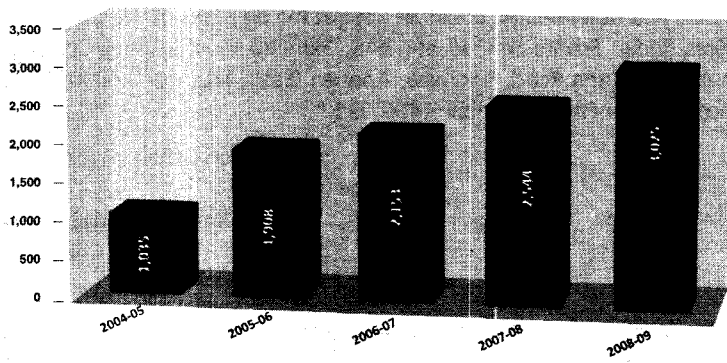


**NET WORTH**

### NET PROFIT AFTER TAX



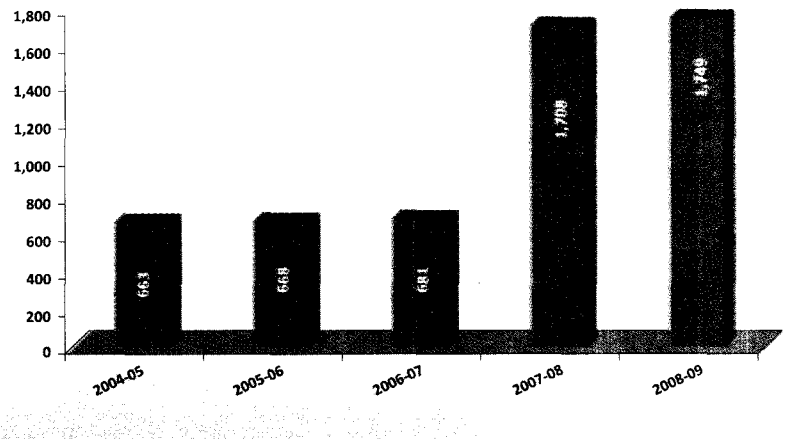
Rs. in Lacs



### FIXED ASSETS

### RESERVES AND SURPLUS

Rs. in Lacs



## NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of Ram Ratna Wires Limited will be held at Maheshwari Bhavan, Plot No. R - 14 & 15, Oshiwara, New Link Road Ext., Opp. Tarapur Garden, Andheri (West), Mumbai – 400 053 on Tuesday, the 1<sup>st</sup> September, 2009 at 4:30 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2009 and Profit and Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Shri Rameshwarlal Kabra, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Ajai Singh, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution  
“**RESOLVED THAT** pursuant to the provisions of Section 163 and all other applicable provisions, if any, of the Companies Act, 1956, the Register of Members, Index of Members and other related books be kept at the premises of the Company's Registrar and Transfer Agents viz, Sharepro Services (India) Private Limited at 13AB, Samhita Warehousing Complex, 2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400072 and also at 912, Raheja Center, Free Press Journal Road, Nariman Point, Mumbai - 400 021.”

For and on behalf of the Board

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Rameshwarlal Kabra**  
Chairman

### REGISTERED OFFICE:

Ram Ratna House, Oasis Complex,  
P.B.Marg, Worli, Mumbai-400 013

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

#### Item No: 6

Under the provisions of the Companies Act, 1956, (the “Act”) certain documents such as the Register and Index of Members, other related books and papers etc., are required to be kept at the Registered Office of your Company, however, these documents can be kept at any other place within the city, town or village in which the Registered Office of your Company is situated, with the approval of the Members to be accorded by a Special Resolution.

Sharepro Services (India) Private Limited, Mumbai is our Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares held in demat mode and also acting as the Share Transfer Agent for the shares held in physical segment. Hence, the approval of the Members is sought in terms of Section 163(1) of the Act, for keeping the aforementioned Registers and documents at the premises of the RTA as stated in the resolution. The Board of Directors recommends the resolution as set out in the Notice for your approval.

None of the Directors of the Company shall be deemed to be concerned or interested in the said resolution.



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (forty eight) hours before the time fixed for holding the meeting. Proxies submitted on behalf of companies, etc., must be supported by appropriate resolution/authority, as applicable.
3. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Vice President (Commercial), so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
4. The Register of Members and Share Transfer Books will remain closed from Wednesday, 26<sup>th</sup> August, 2009 to Tuesday, 1<sup>st</sup> September, 2009 (both days inclusive).
5. The payment of dividend, if any, declared at the Annual General Meeting, will be made to those shareholders whose names appear on the Company's Register of Members on 1<sup>st</sup> September, 2009 or to their nominees. In respect of shares in dematerialized form, dividend will be paid to the beneficial owners as at the end of business hours on 25<sup>th</sup> August, 2009 as per the details to be received from Depositories for the purpose. Dividend warrants shall be dispatched within thirty days from the date of the Annual General Meeting.
6. Pursuant to Section 205A and 205C of the Companies Act, 1956, all unclaimed / unpaid dividends, remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, need to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company had not declared dividend during the Financial Year 2001-2002, so there was no need to transfer any amount to the Investor Education and Protection Fund (IEPF).
7. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at Sharepro Services (India) Private Limited at 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072 in respect of their physical share folios.
8. Members are requested to bring their copy of Annual Report to the Meeting.
9. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
10. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, of persons, seeking re-appointment as Directors under Item Nos. 3 and 4 above, is annexed.

For and on behalf of the Board

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Rameshwarlal Kabra**  
Chairman

**BRIEF RESUME OF PERSONS PROPOSED TO BE RE-APPOINTED AS DIRECTORS OF THE COMPANY AT THE ANNUAL GENERAL MEETING:**

Name	Shri Rameshwarlal Kabra	Shri Ajai Singh
Date of Birth	13/11/1933	05/07/1956
Date of appointment on the Board	31/10/1992	29/06/2006
Qualification & Nature of Expertise	Industrialist	B.A., M.B.A.
Experience	He has over 41 years experience in enamelled copper winding wire and cable industry.	He has 29 years of work experience. He started his career as a Management Consultant. He was the CEO of Modi Entertainment Limited and Managing Director of Professional Assessment and Training Systems Private Limited. He is a Certified Professional Behaviour Analyst, Certified Professional Value Analyst (the only in South Asia), Certified Attribute Index Analyst, Certified Achieve Global Master Trainer, Certified Synergic Master Trainer, Certified Entretel Master Trainer & Certified Leadership Foundation Master Trainer. He was recently certified as a Certifier in the change Works System (the only outside USA). He is a Certified Master Leadership Coach. He is the CEO of Organization Transformation International, India (OTI) – a management consulting firm.
Name of Companies in which also holds Directorship	1. Ram Ratna Research and Holdings Pvt. Ltd. 2. RR Switchgear Pvt. Ltd. 3. Jag-Bid Finvest Pvt. Ltd	1. Indian Coach Foundation
Name of the Companies in Committees of which holds membership / chairmanship	Nil	Nil
Shareholding in the Company	52,600 Equity Shares	Nil

For and on behalf of the Board

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Rameshwarlal Kabra**  
Chairman

## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the Seventeenth Annual Report on the business, operations and the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March, 2009.

### Financial Highlights:

(Rs.in Lacs)

Particulars	Year ended 31 <sup>st</sup> March, 2009	Year ended 31 <sup>st</sup> March, 2008
Gross Sales and other Income	33,940.48	33,340.73
Profit before Interest, Depreciation, Taxation & Extraordinary items	1,131.66	1,679.21
Less: Interest (net of income)	627.14	577.71
Less: Depreciation	286.40	234.61
Profit before Extraordinary items and Tax	218.12	866.89
Add / (Less) : Extraordinary items	3.17	(6.79)
Profit before Tax and prior period adjustments	221.29	860.10
Less: Provision for Taxation	83.85	324.27
Profit before prior period adjustments	137.44	535.83
Add / (Less) : Prior period adjustments	(0.34)	14.81
Net Profit after tax and prior period adjustments	137.10	550.64
Balance brought forward from Previous Year	903.65	579.14
Profit available for appropriation	1040.75	1,129.78
<b>Appropriations:</b>		
Proposed Dividend	82.50	165.00
Corporate Tax on proposed Dividend	14.02	28.04
Transfer to General Reserve	0.00	30.00
Balance carried forward	944.23	906.74

### Operations:

For the financial year ended 31<sup>st</sup> March, 2009, the sales and other income of the Company increased marginally to Rs. 33,940.48 Lacs as compared to Rs. 33,340.73 Lacs in the previous year. The Company has earned a net profit of Rs. 137.10 Lacs (Previous Year Rs. 550.64 Lacs) for the year ended 31<sup>st</sup> March, 2009.

### Dividend:

Your Directors are pleased to recommend, for approval of members, dividend at the rate of 7.50% (Previous Year 15.00%) for the financial year ended 31<sup>st</sup> March, 2009. The dividend, if declared, would involve an outflow of Rs. 82.50 Lacs towards dividend and Rs. 14.02 Lacs towards dividend tax, resulting in a total outflow of Rs. 96.52 Lacs.

### Environment, Safety and Health:

The Company's manufacturing facilities at various locations are equipped with state of art equipments and technology meeting international standard with regards to safety & health of employees, contractors and visitors. The safety & health policy is revised periodically. OHSAS performance is monitored monthly in the safety & health committee meeting.

Your Company's unit Salasar Copper has been audited & certified for OHSAS 18001:2007 during the year and also for ISO 14001:2004.

### Expansion Plan:

The Company is in the process of expanding production capacity of its existing products looking to the future growth in various user industries.

**Particulars of Employees:**

The Company continues to maintain cordial relations with its workforce at all locations. Continuous upgradation of core skill through training programmes either internally or through external agencies are an integral part of human resources development policy.

Information as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended is annexed hereto and forms part of this report.

**Directors:**

Shri Rameshwarlal Kabra and Shri Ajai Singh, Directors, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

Brief profile of the Directors proposed to be re-appointed is annexed to the Notice of the ensuing Annual General Meeting.

**Directors' Responsibility Statement:**

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- the Annual Accounts have been prepared in conformity with the applicable Accounting Standards;
- appropriate Accounting Policies have been selected and applied consistently, and that the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profit for the financial year;
- proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Annual Accounts have been prepared on a going concern basis.

**Corporate Governance:**

A Report on Corporate Governance together with Management Discussion and Analysis Report along with a certificate from M/s Rathi & Associates, Company Secretaries in practice, regarding compliance of requirements of Corporate Governance pursuant to Clause 49 of the Listing Agreement with the Stock Exchange is annexed hereto.

**Statutory Auditors:**

M/s V.C. Darak & Associates, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Members are requested to appoint Auditors for the current year and to authorize the Board to fix their remuneration.

**Auditors' Report:**

The observation made by the Auditors vide clause 2(f) in their report read with Note No. 7 in the Notes on Accounts is self explanatory. The Board expects to get the requisite approval in due course of time.

**Public Deposits:**

The deposits accepted by the Company are in accordance with the provisions under Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 as amended.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo:**

The relevant data pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto and forms part of this report.

**Information Technology:**

The Company has leveraged its existing investment in information technology and implemented ERP & data processing system successfully.

The Company will continue to innovate and derive greater benefits by using information technology as business enabler.

**Acknowledgements:**

The Directors express their grateful appreciation for the support and co-operation received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. The Directors wish to place on record their deep sense of appreciation for the committed services of the Executives, Staff and Workers of the Company.

For and on behalf of the Board

Place: Mumbai  
Date: 12<sup>th</sup> June, 2009

**Rameshwarlal Kabra**  
Chairman

## ANNEXURE TO THE DIRECTORS' REPORT

### I. Information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March 2009.

#### A. CONSERVATION OF ENERGY

The Company has been giving top priority for Energy conservation. All major Electrical equipments installed in the factory are specially designed for Energy saving. For Example; Low loss transformer in Electric Substation, Energy efficient Motors etc. installed in factory. Specially designed Cooling system installed in the factory, with Cooling towers, instead of Chilling plant required for cooling water for the process, reduced the connected load in the factory and also has been saving substantial amount of power, daily.

The Company continues to import In - line Drawing & Enamelling plants with latest automation system which are of modern technology, As it cuts short many intermediate operations (which happens in conventional machines) in processing Enamelled copper wire, it saves considerable electrical energy, processing time and labour while eliminating waste in power consumption and also in unnecessary movement of copper which is a heavy metal. In conventional plants, copper wire is drawn in Wire drawing Machine which is coiled in Steel reel and transported to enamelling plant where it is de-coiled, annealed; and then enamelled in enamelling machine. After finishing of every reel of drawn wire in enamelling, the wire in the incoming reel has to be joined by welding. Such joints create problems in many respects.

All these processes i.e. Wire Drawing, Annealing & Enamelling are done in a single continuous operation in the latest imported In-line Drawing & Enamelling plant with automatic reel change over system. The joints are eliminated in In – line process as the feeding pack coiler capacity is of 2 tons and the joint coming after every 2 tons is also undergoing a drawing process, with the result joint- free wire goes for Enamelling process. This saves a lot of electrical energy and time; and also improves the quality of Enamelled Copper Wire; as unnecessary coiling, de-coiling, transportation of reels and joining of wire during enamelling is avoided. Further, most of the operations are automatically controlled by latest electronics & PLC (Programmed Logic Control) by a central computer. In addition to this, the waste solvent in the wire enamel is burnt with the help of imported Catalyst, which generates enormous heat energy. Heat energy so generated is used for processing enameled wire in the furnace, thereby saving substantial electrical energy. In short, the Company has adopted latest technology for conserving energy and also incorporated automatic system for eliminating wastage & improving quality of Enamelled Copper Wire.

Total energy consumption and energy consumption per unit of production:

Form 'A' of the annexure to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, is not applicable.

#### B. TECHNOLOGY ABSORPTION

While the plant & machinery are imported, the technology for the manufacturing of products are developed in house. The Company has not imported any technology and process. However, continuous improvement in processing and manufacturing techniques, keeping in pace with latest international standards has been adopted as a regular practice, for better production and quality of products.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Rs in Lacs)

	2008-09	2007-08
Total Foreign Exchange earned	464.34	Nil
Total Foreign Exchange used	5,259.10	515.93

### II. Information as required under Section 217(2A) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 1988 and read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Director's Report for the year ended 31.03.2009.

Name	Date of Birth	Designation	Gross Remuneration	Qualification	Experience (years)	Date of Joining	Previous Employment
Tribhuvanprasad Kabra	11/06/1955	Managing Director	Rs. 28.65 Lacs	B.Com.	36	29/9/1993	Kabel Buildcon Solutions Pvt. Ltd.

For and on behalf of the Board

Place: Mumbai  
Date: 12<sup>th</sup> June, 2009

**Rameshwarlal Kabra**  
Chairman

## REPORT ON CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement with the Stock Exchange, a report on Corporate Governance is given below:

### A. MANDATORY REQUIREMENTS

#### 1) Company's Philosophy on code of Corporate Governance:

The Directors of the Company believe that good Corporate Governance improves the Company's performance, enhances Corporate Social Responsibility and benefits all stakeholders. Accordingly, the Board has established a Corporate Governance framework to ensure that these intentions are met and that all stakeholders are informed about the affairs of the Company.

Good Corporate Governance has always been an integral part of the Company's business philosophy. In line with the Ram Ratna Group policy, your Company believes in attainment of highest level of transparency in all facets of its operation and has always focused on good Corporate Governance.

#### 2) Board of Directors:

##### a) Composition and Category of Directors:

The Composition of the Board is in conformity with the requirements of the Corporate Governance Code of the Listing Agreement with the Stock Exchange. The Board of Directors of the Company consists of optimal combination of Executive, Non-Executive and Independent Directors.

As on 31<sup>st</sup> March, 2009, the Board of Directors comprised of a majority of Non-Executive Directors, having rich and varied experience. The Board has Eight (8) Directors, comprising of one (1) Executive Director and Seven (7) Non-Executive Directors of which Four (4) are Independent. The Chairman of the Board is a Non- Executive Director.

The Independent Directors on the Board are experienced, competent and highly respected persons from their respective fields. They take active part in the Board and Committee meetings. None of the Directors on the Board is a Member on more than 10 Committees. Necessary disclosures have been made by the Directors in this regard.

##### b) Boards functioning and Procedure:

The Board plays a pivotal role in ensuring good governance. The Board's role, functions, responsibility and accountability are clearly defined. In addition to its primary role of setting corporate goals and monitoring corporate performance, it directs and guides the activities of the Management towards the attainment of goals and determines accountability with a view to ensure that the Corporate Philosophy and mission viz. to create long term sustainable growth that translates itself into progress, prosperity and the fulfillment of stakeholders' aspirations is accomplished. It also sets standards of Corporate Behaviour and ensures ethical behaviour at all times and strict compliance with laws and regulations.

Attendance of each Director at the Board of Directors meeting held during 2008-09, the last AGM and number of other Company's Board or Board Committees in which each of the Directors of the Company is a member or Chairperson are as follows:

Name of the Directors	Position	No. of Board Meetings during the year 2008-09		Whether attended last AGM	Number of other		
		Held	Attended		Directorships*	Committee Memberships#	Committee Chairmanships#
Shri Rameshwarlal Kabra	Chairman, Non-Executive	5	3	Yes	0	0	0
Shri Tribhuvanprasad Kabra	Managing Director	5	5	Yes	2	0	0
Shri Mahendra Kumar Kabra	Non-Executive	5	5	Yes	1	0	0
Shri Vishnu Anant Mahajan	Non-Executive, Independent	5	4	Yes	0	0	0
Shri Satyanarayan Loya	Non-Executive	5	5	Yes	1	0	0
Shri Mukund Chitale	Non-Executive, Independent	5	4	Yes	8	6	3
Shri Ajai Singh	Non-Executive, Independent	5	4	No	0	0	0
Shri Naveen Kumar Mandhana (appointed w.e.f 28/5/08)	Non-Executive, Independent	5	2	Yes	2	0	0

\* Other Directorships exclude Directorships held in Private Limited Companies.

# Committee of Directors includes Audit Committee, Shareholders/Investors Grievance Committee and Remuneration Committee of Directors.

**c) Number of Board Meetings held and the dates on which held:**

During the year ended 31<sup>st</sup> March, 2009, the Board met five times i.e. on 17<sup>th</sup> May, 2008, 28<sup>th</sup> May, 2008, 30<sup>th</sup> July, 2008, 23<sup>rd</sup> October, 2008 and 29<sup>th</sup> January, 2009 to consider, amongst other matters, the following:

- i. Quarterly, Half yearly and Annual financial results of the Company and its Business Segments;
- ii. Annual operating plans and budgets and any updates thereon;
- iii. Capital budgets and any updates thereof;
- iv. Secretarial Audit Report;
- v. Appointment of Statutory Auditor, Secretarial Auditor.

**d) Information placed before the Board of Directors:**

The Board has complete access to all the information of the Company. The following information is regularly provided to the Board:

- i. Notice of Meetings;
- ii. Minutes of the meetings of the Audit Committee and Investors' Grievances Committee;
- iii. Legal compliance report and certificate;
- iv. Review of foreign exchange exposures and exchange rate movement, if material;
- v. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any
- vi. Any material default in financial obligations to and by the Company or substantial non-recoveries against sale, if any
- vii. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company, if any

- viii. Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.;
- ix. Non-compliance of any regulatory, statutory or listing requirements and shareholders' service such as non-payment of dividend, delay in share transfer etc.;
- x. Issues relating to shareholders such as ratification of transfers, demat status, pending grievances, issue of duplicate share certificates etc.;
- xi. Contracts in which Director(s) are deemed to be interested;
- xii. Details of investment of surplus funds available with the Company;
- xiii. General disclosure of interest;
- xiv. Materially imported show cause, demand, prosecution and penalty.

**e) Post meeting follow-up Mechanism:**

The guidelines for Board and Committee meetings facilitate an effective post-meeting follow-up, review and reporting process for the decisions taken in the Board and the Committee meetings. The current status of follow up action on the decisions taken is reported to the Board and the Committees thereof in every meeting.

**f) Compliance:**

The Compliance Officer of the Company is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the rules issued there under.

All the items on the Board Meetings Agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

**3) Board Committees:**

The Board has three Committees – the Audit Committee, the Shareholders/Investors Grievance Committee and the Remuneration Committee. As on date, the Audit Committee comprises of three members of which two Members are Non-Executive Independent Directors and one member is a Non-Executive Director. The Remuneration Committee comprises of four Non-Executive Directors of which three are Non-Executive Independent Directors.

The Shareholders/Investors Grievance Committee comprises of two Non-Executive Directors.

The Board is responsible for the constitution, co-opting and fixing the terms of reference for Committee members of the said Committees.

**I. Audit Committee:**

**Terms of reference**

**a) Primary objectives of the Audit Committee:**

The Audit Committee acts as a link between the Statutory Auditors and the Board of Directors. The Audit Committee of the Company inter-alia, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures. The primary objective of the Audit Committee (the "Committee") is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and the transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, including the independent auditor and notes the process and safeguards employed by each.

**b) Scope of the Audit Committee:**

- i. Provide an open avenue of communication between the independent auditor and the Board of Directors ("BoD")
- ii. Recommending the appointment and removal of statutory auditors, fixation of audit fees and also to approve the payment for other services
- iii. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible



- iv. Meet four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary
- v. Confirm and assure the independence of the external auditor
- vi. Review with independent auditor, the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources
- vii. Consider and review with the independent auditor the adequacy of internal controls including the computerised information system controls and security
- viii. Reviewing with the management, the quarterly financial statements before submission to the Board for approval
- ix. Reviewing with the management, performance of statutory auditors and adequacy of the internal control systems
- x. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - Any changes in the accounting policies and practices;
  - Disclosure of related party transactions;
  - The going concern assumption;
  - Compliance with Accounting Standards;
  - Compliance with Stock Exchange and legal requirements concerning financial statements;
  - Significant adjustment arising out of audit findings;
  - Qualifications, if any, in the draft audit report;
  - Matters required to be included in Director's Responsibility Statement as appear in Board of Directors' Report.
- xi. Consider and review with the management and the independent auditor:
  - Significant findings during the year, including the status of previous audit recommendations;
  - Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
- xii. Review of the following information:
  - Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions submitted by the management;
  - Management letters/letters of internal controls, weaknesses issued by the Statutory Auditors.

**c) Composition, name of members and Chairman:**

The Audit Committee is constituted in accordance with the Corporate Governance Code of the Listing Agreement and Section 292A of the Companies Act, 1956. The statutory auditors are invited to the Audit Committee Meetings whenever required. The quorum for the Audit Committee Meeting is two members.

The Committee comprises of the following members:

1. Shri Vishnu Anant Mahajan, Chairman
2. Shri Satyanarayan Loya
3. Shri Mukund Chitale

**d) Meetings and attendance during the year:**

During the financial year ended 31<sup>st</sup> March, 2009, four Audit Committee Meetings were held i.e. on 28<sup>th</sup> May 2008, 30<sup>th</sup> July 2008, 23<sup>rd</sup> October 2008 and 29<sup>th</sup> January 2009. The table hereunder gives the attendance record of the Audit Committee members.

Name of the Audit Committee Members	Position	No. of meetings attended
Shri Vishnu Anant Mahajan (Chairman)	Non-Executive , Independent Director	3
Shri Satyanarayan Loya	Non-Executive Director	4
Shri Mukund Chitale	Non-Executive, Independent Director	3

Management is responsible for the Company's internal controls and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company's financial statements in accordance with the applicable accounting standards and for issuing a report thereon. The Committee's responsibility is to monitor these processes. The Committee is also responsible to oversee the processes related to the financial reporting and information dissemination, in order to ensure that the financial statements are true, correct, sufficient and credible.

The Committee has recommended to the Board the appointment of M/s. V.C. Darak & Associates, Chartered Accountants, as the Statutory and Independent auditors of the Company for the Financial Year 2009-2010 and that necessary resolution for appointing them as auditors be placed before the shareholders.

#### ii. Remuneration Committee:

The Remuneration Committee considers and recommends to the Board, the payment of remuneration/incentive etc. to the Managing Director.

The Committee comprises of the following members:

1. Shri Vishnu Anant Mahajan, Chairman
2. Shri Satyanarayan Loya
3. Shri Mukund Chitale
4. Shri Ajai Singh

The Remuneration Committee met on 28<sup>th</sup> May, 2008 during the financial year ended 31<sup>st</sup> March, 2009 for recommendation of remuneration to Shri Tribhuvanprasad Kabra for his reappointment as Managing Director.

#### a) Remuneration Policy:

Non-Executive Directors are paid sitting fees for each meeting of the Board, Audit Committee and Remuneration Committee attended by them. The appointment and remuneration of the Managing Director is governed by resolutions passed by the Board of Directors and shareholders of the Company, which covers terms of such appointment, read with the service rules of the Company. Remuneration paid to the Managing Director is recommended by the Remuneration Committee, approved by the Board and is within the limits set by the shareholders at the General Meetings.

Presently, the Company does not have any stock option plan or performance linked incentives for its Directors.

#### b) Details of Remuneration to all the Directors for the Financial Year ended 31<sup>st</sup> March, 2009 are as under:

Executive Directors					(Rs. in Lacs)
Name & Position	Pay & Allowance	Perquisites	Total	Retirement Benefits	
Shri Tribhuvanprasad Kabra Managing Director	28.62	0.03	28.65	NIL	

**Non-Executive Directors**

(Rs. in Lacs)

Name of the Directors	Sitting Fees paid for		
	Board Meetings	Audit Committee	Remuneration Committee
Shri Rameshwarlal Kabra	0.13	Nil	Nil
Shri Mahendra Kumar Kabra	0.19	Nil	Nil
Shri Satyanarayan Loya	0.19	0.20	0.05
Shri Vishnu Anant Mahajan	0.14	0.15	0.05
Shri Mukund Chitale	0.14	0.15	0.05
Shri Ajai Singh	0.14	Nil	0.05
Shri Naveen Kumar Mandhana	0.08	Nil	Nil

**Shares held by Non-Executive Directors:**

Name of the Non-Executive Director	Equity Shares held (Nos.)
Shri Rameshwarlal Kabra	52,600
Shri Mahendra Kumar Kabra	9,33,983
Shri Satyanarayan Loya	10,700
Shri Vishnu Anant Mahajan	3,500
Shri Mukund Chitale	Nil
Shri Ajai Singh	Nil
Shri Naveen Kumar Mandhana	Nil

**III. Shareholders/Investors Grievance Committee:****a) Composition:**

The Shareholders/Investors Grievance Committee comprises of the following members:

1. Shri Satyanarayan Loya, Chairman
2. Shri Rameshwarlal Kabra

Shri Satish Agarwal, Vice President (Commercial) acts as the Compliance Officer.

**b) Scope:**

The Shareholders/Investors Grievance Committee looks into the redressal of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends etc. and recommends measures to improve the level of investor services.

**c) Meetings and Attendance:**

During the financial year ended 31<sup>st</sup> March, 2009, four Shareholders/Investors Grievance Committee Meetings were held i.e. on 17<sup>th</sup> June 2008, 17<sup>th</sup> September 2008, 3<sup>rd</sup> January 2009, 31<sup>st</sup> March 2009. The table hereunder gives the attendance record of the Shareholders/Investors Committee members.

Name of the Shareholders/Investors Grievance Committee Members	Position	No. of meetings attended
Shri Satyanarayan Loya (Chairman)	Non-Executive Director	4
Shri Rameshwarlal Kabra	Non-Executive Director	4

The Committee expresses satisfaction with the Company's performance in dealing with investors grievance and its share transfer system.

During the year, the Company has received and attended to 16 complaints. There were no pending / unattended complaints as on 31<sup>st</sup> March, 2009.

Nature of complaints received and attended to during 2008-09:

Nature of complaint	Pending As on 01.04.08	Received During the year	Resolved During the year	Pending As on 31.03.09
Transfer/Transmission/Duplicate	-	4	4	-
Non-receipt of Dividend	-	11	11	-
Non-receipt of Refund Order	-	-	-	-
Dematerialisation/Rematerialisation of shares	-	1	1	-
<b>Complaints received from:</b>				
Securities and Exchange Board of India	-	-	-	-
Stock Exchange	-	-	-	-
Registrar of Companies/Department of Company Affairs	-	-	-	-
Legal	-	-	-	-
<b>Total</b>	-	<b>16</b>	<b>16</b>	-

#### IV. Share Transfer Committee:

As per the revised Clause 49 of the Listing Agreement and to expedite the process of share transfers, the Board has delegated the powers of share transfers and related matters to Share Transfer Committee comprising of Shri Satyanarayan Loya, Director and Shri Satish Agarwal, Vice President (Commercial). The Committee meets once a fortnight and approves all the matters related to shares i.e. transfer, transmission, dematerialisation and rematerialisation of shares etc.

#### 4) General Body Meetings:

Details of last three Annual General Meetings are given hereunder:

Year	Date	Venue	Time	Special resolution Passed
2006	23/09/2006	Maheshwari Bhavan, 603 Jagannath Shankar Seth Road, Mumbai – 400 002.	11:00 a.m.	Re-appointment of Shri Mahendra Kumar Kabra as Whole Time Director.
2007	31/08/2007	Maheshwari Bhavan, 603 Jagannath Shankar Seth Road, Mumbai – 400 002	11:00 a.m.	None
2008	28/08/2008	Maheshwari Bhavan, 603 Jagannath Shankar Seth Road, Mumbai – 400 002	11:00 a.m.	Re-appointment of Shri Tribhuvanprasad Kabra as Managing Director.

#### Postal ballots

No Special Resolution requiring postal ballot was placed before the last Annual General Meeting. No Special Resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

#### 5) Secretarial Compliance Report:

- a. As a measure of good Corporate Governance practice, though not legally required, a Secretarial Audit on the compliance of corporate laws and SEBI regulations was conducted by M/s. Rathi & Associates, Practicing Company Secretaries for the financial year ended 31<sup>st</sup> March 2009.

**b. Secretarial Audit Report**

Quarterly Secretarial Audit Reports on reconciliation of the total admitted capital with CDSL & NSDL and the total issued and listed capital were furnished to the Stock Exchange on the following dates:

For the quarter ended	Furnished on
30 <sup>th</sup> June, 2008	29 <sup>th</sup> July, 2008
30 <sup>th</sup> September, 2008	15 <sup>th</sup> October, 2008
31 <sup>st</sup> December, 2008	13 <sup>th</sup> January, 2009
31 <sup>st</sup> March, 2009	16 <sup>th</sup> April, 2009

**6) Secretarial Standards:**

The Institute of Company Secretaries of India has issued Secretarial Standards on Board, General Meetings, Dividend and Registers and Records that are presently recommendatory. The Company's practices and procedures mostly meet with these prescriptions, wherever applicable.

**7) Quarterly Compliance Report:**

The Company has submitted for each of the 4 quarters during 2008-09, the Compliance Report on Corporate Governance to stock exchange in the prescribed format within 15 days from the close of the quarter.

**8) Disclosures:**

**(i) Related Party Transactions:**

The transactions of material nature with Directors/Promoters or related entities do not have any potential conflict with the interests of the Company at large.

**(ii) Compliances by the Company:**

There is no non-compliance by the Company or any penalties, strictures imposed by the Stock Exchange, SEBI or any other statutory authority on any matter related to Capital Markets, during the last three years.

**(iii) Whistle Blower Policy and Access of personnel to the Audit Committee:**

The Company has not established the non-mandatory requirement of Whistle Blower Policy. However, the Company's personnel have access to the Chairman of the Audit Committee in cases such as concerns about unethical behavior, frauds and other grievances. No personnel of the Company have been denied access to the Audit Committee.

**(iv) Compliance with the Mandatory requirements and Implementation of the Non-mandatory requirements:**

The Company has complied with the mandatory requirements of the Corporate Governance Clause 49 of Listing Agreement. The Company has not implemented the non-mandatory requirements enlisted by way of annexure to Clause 49 of the Listing agreement except the constitution of Remuneration Committee.

**9) Means of Communication:**

- |   |   |  |
|---|---|--|
| a) Half-yearly report sent to each the shareholders   | : | No *   |
| b) Quarterly results Published in   | : | The Economic Times - English<br>Maharashtra Times - Marathi                                  |
| c) Whether the website also displays official news releases and presentations to the media, analysts, institutional investors' etc. | : | No   |
| d) Audited financial results Published in   | : | The Economic Times - English<br>Maharashtra Times - Marathi<br>The Economic Times - Gujarati |
| e) Whether MD&A (Management Discussion & Analysis) is a part of Annual Report?  | : | Yes  |

\* As the results are published in newspapers having wide circulation, half yearly results are not sent separately to each shareholder.

- f) No presentations were made to the institutional investors or to analysts during the year under review. The Company also informs by way of intimation to the Stock Exchange all price sensitive matters and such other matters which in its opinion are material and of relevance to the Shareholders and subsequently issues a Press Release on the said matters.

**10) Certificate on Corporate Governance:**

As required by Clause 49 of the Listing Agreement, a certificate issued by M/s. Rathi & Associates, practicing Company Secretaries, regarding compliance with Corporate Governance norms is given as an annexure to this report.

**11) CEO declaration:**

As required by Clause 49 of the Listing Agreement, the CEO i.e. the Managing Director's declaration on compliance of the Company's code of conduct is provided as an annexure to this Report.

**12) General Shareholders' Information:**

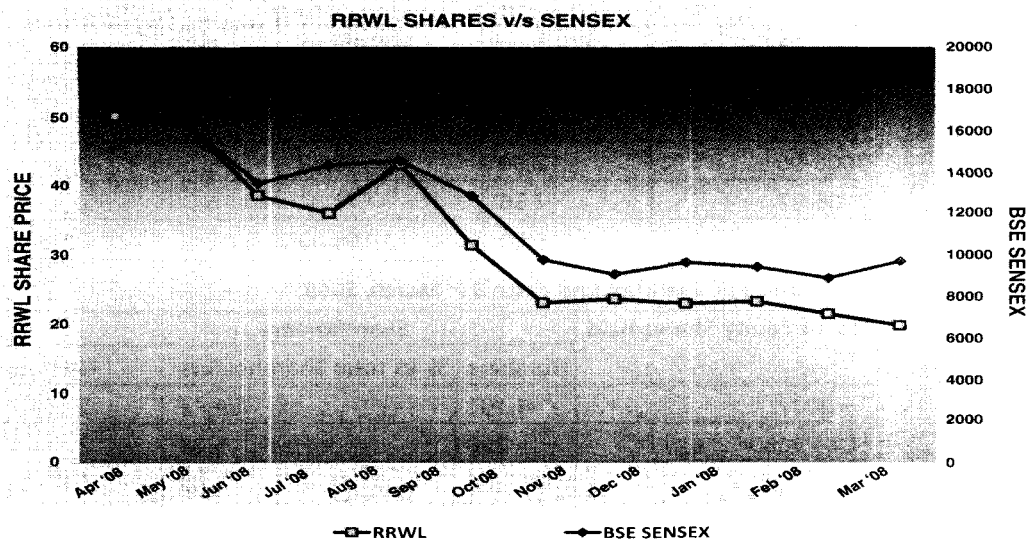
**Annual General Meeting**

- |   |   |
|---|---|
| (i) <b>Date, time</b>   | 1 <sup>st</sup> September, 2009, 4:30 p.m.  |
| <b>Venue</b>  | Maheshwari Bhavan, Plot No. R-14&15, Oshiwara, New Link Road Ext., Opp. Tarapur Garden Andheri (West), Mumbai – 400 053.  |
| (ii) <b>Financial Calendar</b>  | <b>Financial reporting for quarter ending</b>   |
| <b>(tentative and subject to change)</b>  | June 30, 2009 : By 31 <sup>st</sup> July, 2009  |
|   | September 30, 2009 : By 31 <sup>st</sup> October, 2009  |
|   | December 31, 2009 : By 31 <sup>st</sup> January, 2010   |
|   | March 31, 2010 : By 30 <sup>th</sup> April, 2010  |
|   | Annual General Meeting : By 30 <sup>th</sup> September, 2010.   |
|   | for year ending March 31, 2010  |
| (iii) <b>Dates of book closures</b>   | 26 <sup>th</sup> August, 2009 to 1 <sup>st</sup> September, 2009 (both days inclusive)  |
| (iv) <b>Dividend Payment</b>  | On or after 6 <sup>th</sup> September, 2009   |
| (v) <b>Registered Office</b>  | Ram Ratna House, Oasis Complex, P.B. Marg, Worli, Mumbai – 400 013.<br>Tel. No.: 91-22-2492 4144/2494 9009<br>Fax No.: 91-22-2491 0819<br>Email: satish@ramratna.com  |
| (vi) <b>Listing of Equity Shares</b>  |   |
| a. <b>Stock Exchange</b>  | The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited  |
| b. <b>Depository</b>  | Central Depository Services (India) Ltd. and National Securities Depository Ltd.<br><br>Annual Listing Fees as prescribed has been paid for the year 2009 – 2010.   |
| (vii) <b>Stock Exchange Code</b>  | Bombay Stock Exchange Limited – 522281  |
| (viii) <b>Disclosures regarding appointment or re-appointment of Directors:</b> |   |
|   | Pursuant to the provisions of Sections 255 & 256 of the Companies Act, 1956, Shri Rameshwarlal Kabra and Shri Ajai Singh shall retire by rotation at the forthcoming Annual General Meeting.                  |
|   | The Board has recommended the re-appointment of the said Directors to the shareholders. The detailed resume of Directors proposed to be re-appointed is provided in the notice of the Annual General Meeting. |

(ix) **Stock Market price data:**

Monthly high and low at the Bombay Stock Exchange Limited for financial year ended 31<sup>st</sup> March, 2009:

Month	Volume	Ram Ratna Wires Limited		BSE Sensex	
		High (Rs.)	Low (Rs.)	High	Low
April, 2008	112921	53.95	45.20	17480.74	15297.96
May, 2008	58745	58.00	47.30	17735.70	16196.02
June, 2008	42434	52.85	36.80	16632.72	13405.54
July, 2008	26504	41.95	30.50	15130.09	12514.02
August, 2008	43566	48.00	30.30	15579.78	14002.43
September, 2008	51503	43.00	26.50	15107.01	12153.55
October, 2008	54545	32.00	17.25	13203.86	7697.39
November, 2008	11093	24.95	20.30	10945.41	8316.39
December, 2008	12452	25.80	20.00	10188.54	8467.43
January, 2009	31451	26.85	21.50	10469.72	8631.60
February, 2009	12258	25.95	20.15	9421.87	8619.22
March, 2009	15999	22.00	18.35	10127.09	8047.17



(x) **Registrar and Transfer Agent:**

The Company's shares being in compulsory dematerialise (demat) list are transferable through the depository system. Shares in physical form are processed by the Registrar and Share Transfer Agent (RTA) and approved by Share Transfer Committee of the Company. Shares sent for physical transfer are generally registered and returned within a period of 30 days from the date of receipt, if the documents are complete in all respects.

The total number of shares transferred in physical form during the year 2008-09 was 14600 shares.

(xi) **Share Transfer System:**

- (i) As per the Guidelines of SEBI/Stock Exchanges, a Demat Option Letter is sent to the transferees, seeking their option, as to whether the shares transferred in their name, would be demated by them or they would like to hold the shares, in physical form. After 30 days time, if the Demat Request Form is not received along with the Demat Option Letter, duly accepted, physical share certificates are dispatched to the transferees.

- (ii) The Shareholders/Investors Grievance Committee meets as often as required. As per Clause 49 of the Listing Agreement and to expedite the process of share transfers, the Board has delegated the powers of share transfers and related matters to Shri Satyanarayan Loya, Director and Shri Satish Agarwal, Vice President (Commercial) who attends to share transfer formalities at least once in a fortnight.
- (iii) Nomination facility for shareholding: As per the provisions of the amended Companies Act 1956, facility for making nomination is available for shareholders in respect of shares held by them. Nomination forms can be obtained from the share transfer agent.
- (iv) Payment of dividend through Electronic Clearing Services : The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividends through Electronic Clearing Service (ECS) to the Investors wherever ECS and Bank details are available. In the absence of ECS facility the Company is required to print the Bank account details if available on payment instruments for distribution of dividend etc. to the shareholders.
- (v) Unclaimed dividends: The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. Since the Company had not declared any dividend for the year 31<sup>st</sup> March, 2002, there is no unpaid/unclaimed dividend which is required to be transferred to the Investor Education and Protection Fund.

**(xii) Dividend History (Last 7 Years)**

(Rs.in Lacs)

Financial Year	Dividend %	Total Dividend	Unpaid / Unclaimed	Due date for Transfer
2001-02	-	-	-	-
2002-03	5.00	38.35	1.01	22.09.2010
2003-04	10.00	76.70	1.93	20.09.2011
2004-05	12.50	118.38	2.18	20.09.2012
2005-06	12.50	118.38	1.91	23.09.2013
2006-07	7.50	71.02	0.73	31.08.2014
2007-08	15.00	165.00	2.36	28.08.2015

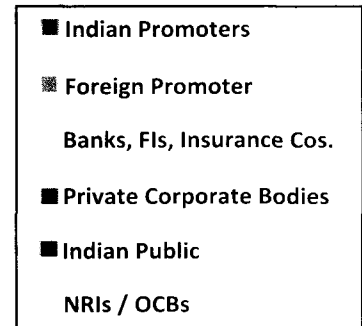
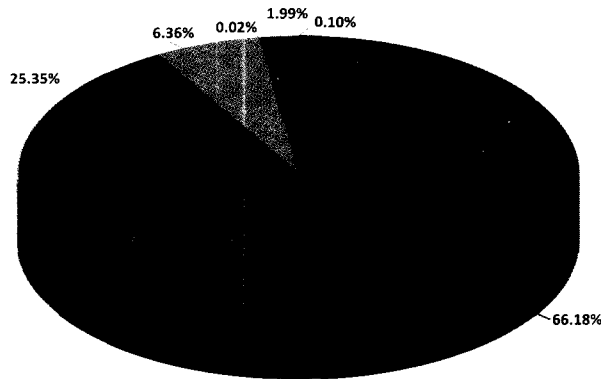
**(xiii) Distribution of Shareholding as on 31<sup>st</sup> March, 2009:**

No. of Equity Shares held	Shareholders		Shares	
	Numbers	% to total Shareholders	Numbers	% to total Capital
1 - 500	4,101	86.72	5,66,402	5.15
501 - 1000	250	5.28	2,19,413	2.00
1001 - 5000	269	5.69	6,67,886	6.07
5001 - 10000	37	0.78	2,87,743	2.62
10001 & above	72	1.53	92,58,556	84.16
<b>Total</b>	<b>4,729</b>	<b>100.00</b>	<b>1,10,00,000</b>	<b>100.00</b>



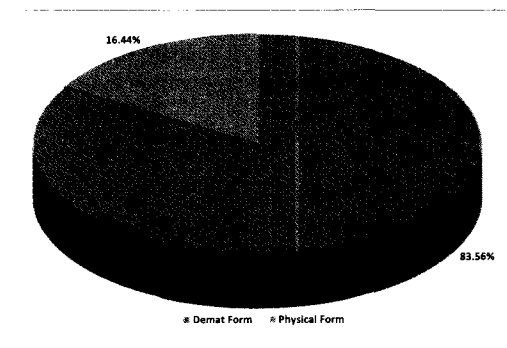
(xiv) Shareholding pattern (Categories wise) as on 31<sup>st</sup> March, 2009:

Category	Shareholders		Shares	
	Numbers	% to total Shareholders	Numbers	% to total Capital
<b>PROMOTERS' HOLDING</b>				
Indian Promoters	24	0.51	72,79,677	66.18
Foreign Promoter	1	0.02	7,00,000	6.36
<b>Total of Promoter Holding</b>	<b>25</b>	<b>0.53</b>	<b>79,79,677</b>	<b>72.54</b>
<b>NON-PROMOTERS' HOLDING</b>				
<b>Institutional Investors</b>				
Banks, Fls, Insurance Cos.	1	0.02	1,800	0.02
<b>Others</b>				
Private Corporate Bodies	98	2.07	2,18,799	1.99
Indian Public	4,598	97.23	27,88,189	25.35
NRIs / OCBs	7	0.15	11,535	0.10
<b>Total of Non-Promoter Holding</b>	<b>4,704</b>	<b>99.47</b>	<b>30,20,323</b>	<b>27.46</b>
<b>Grand Total</b>	<b>4,729</b>	<b>100.00</b>	<b>1,10,00,000</b>	<b>100.00</b>



(xv) Dematerialisation of shares and liquidity:

The Company has established connectivity with Central Depository Services (India) Limited and National Securities Depository Limited for dematerialisation of shares and the same are available in electronic segment under ISIN No. INE207E01015.



As on 31<sup>st</sup> March 2009

Form	No. of Shares
Demat	91,91,549
Physical	18,08,451
<b>Total</b>	<b>1,10,00,000</b>

**(xvi) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:**

There are no GDRs/ADRs/Warrants or any Convertible Instruments pending conversion or any other instrument likely to impact the equity share capital of the Company.

**13) Plant Locations:**

- 1) Survey No. 212/2, Near Dadra Check Post, Village : Dadra, Silvassa - 396 193, (U.T. of D & NH)
- 2) Survey No. 142/2, Madhuban Dam Road, Village : Karad, Rakholi, Silvassa - 396 240, (U.T. of D & NH)

**14) Address for correspondence:**

Registrar and Transfer Agent (share transfer and communication regarding share certificates, dividends and change of address)	Sharepro Services (India) Pvt. Ltd. 13AB, Samhita Warehousing Complex, 2 <sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072. Tel.No.:91-22-67720300 / 51 / 52 / 53 Fax No.:91-22-28375646 E-mail: sharepro@vsnl.com
Compliance Officer	Shri Satish Agarwal, Vice President (Commercial) Ram Ratna House, Oasis Complex, P.B. Marg, Worli, Mumbai - 400 013 Tel.No.:91-22-24924144/24949009 Fax No.:91-22-24910819 E-mail: investor_grievance@ramratna.com

**15) Request to Investors:**

- a) Investors are requested to communicate change of address, if any, directly to the share transfer agent of the Company at the above address.
- b) As required by SEBI, investors shall furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.
- c) The shareholders are requested to dematerialise their physical share certificates, through a depository participant. Shareholders requiring any further clarification/assistance on the subject may contact the Company's share transfer agent.
- d) Investors who have not availed nomination facility are requested to avail the same by submitting the nomination form. The form will be made available on request.
- e) Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number etc.
- f) Investors are requested to kindly note that any dividend which remains unencashed for a period of seven years will get transferred to "Investors Education and Protection Fund" in terms of Section 205C of the Companies Act, 1956.
- g) Members who have not encashed their dividend warrants in respect of dividends declared for the year ended 31<sup>st</sup> March 2003 and for any financial year thereafter may contact the Company and surrender their warrants for payment. Members are requested to note that the dividend not claimed for a period of seven years from the date they first became due for payment shall be transferred to Investor Education and Protection Fund (IEPF) in terms of Section 205C of the Companies Act, 1956.

**B. NON-MANDATORY REQUIREMENTS**

**1. The Board:**

- a) Whether Chairman of the Board is entitled to maintain a Chairman's Office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties :  
The Chairman is a Non-Executive Director in the Company. The Chairman does not maintain an office at the Company's expenses.

- b) Independent Directors may have a time not exceeding in the aggregate a period of nine years on the Board of the Company.

Presently the Company has not adopted the above non-mandatory requirement.

**2. Remuneration Committee:**

The Company has formed Remuneration Committee where Shri Vishnu Anant Mahajan is the chairman of the committee.

**3. Shareholders' Rights:**

The quarterly and half-yearly results of the Company are published in one English and one regional newspaper having wide circulation. (vide para 9(b) of this Report). The results are not sent to the shareholders individually.

**4. Audit Qualification:**

The Company has generally ensured to remain in the regime of unqualified financial statement.

**5. Training of Board Members:**

Presently the Company does not have training programme for Board Members.

**6. Mechanism for evaluating Non-Executive Board Members:**

Presently the Company does not have any mechanism for evaluating the performance of Non-executive Board Members.

**7. Whistle Blower Policy:**

Presently the Company does not have a Whistle Blower Policy.

For and on behalf of the Board

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Rameshwarlal Kabra**  
Chairman

**REGISTERED OFFICE:**

Ram Ratna House, Oasis Complex,  
P.B.Marg, Worli, Mumbai-400 013.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (A) Industry structure and developments

Winding Wire is used in almost all Electrical, Electro-mechanical, Electro hydraulic or Electro-pneumatic, Electronic and Telecommunication equipments and devices. Depending upon the type of insulation provided, there are various types of Winding wires. Enamelled copper wire covers almost 84% of winding wire production, in India.

Winding wires finds its place directly or indirectly in all sectors of Indian Economy. It has use in Agriculture for the Electric pump sets. In Industry it is used directly in the form of coils in Power generating sets, Transformers, Large UPS, Voltage stabilizers, Motors, Fans, Chokes for Lamps, Switchgears, all types of Relays, Energy meters, and a wide variety of equipments and devices.

In Railways, it is used for a variety of purposes, including for Traction Motors. It has requirements for Defence, Space application & satellite networks, Electronic & Telecommunication equipments. Winding wire has good demand in Consumer electronics including Radio, Television, Audio & video equipments, Voltage stabilizers, and umpteen numbers of equipments & devices. Trade & commerce, directly or indirectly needs winding wire for their office equipments, lighting, ventilation & air conditioning. It finds its use in office equipments & educational equipments.

It has fast growing demand in domestic & house hold appliances like Mixers, Grinders, Washing Machines, Refrigerators & Air Conditioners, Fans, domestic Pump sets, Vacuum cleaners and a wide variety of equipments. This demand is slowly spreading to rural sector. In the growing Indian Automobile Industry, winding wire is used in Starters, Dynamos, Relays etc. In short, Winding wire has become an essential item for modern living. Further, substantial portion (around 40%) of winding wire produced in India is used in repair and rewinding works of Electrical Equipments.

### (B) Opportunities and threats

The Company's opportunities lie in managing fluctuating copper prices in the international market and to meet the stringent delivery stipulation by its customers at very short notice. The Company may face tough competition from the leading players in the industry.

### (C) Segment-wise or product-wise performance

The Company has major business segment in Enamelled Copper Wire and Strips. The figures of production and sales for Enamelled Copper Wire and Strips are furnished in the Notes on Accounts. During the last quarter, the Company has added new products i.e. Submersible Winding Wire, Fiber Glass Covered Copper Strips and Paper Covered Copper Strips.

### (D) Outlook

The financial year 2008-2009 witnessed one of the worst Global recession. It's impact on India reduced its GDP around 6%, against around 8 % maintained in previous years. However, rising purchasing power of employees due to wage increase especially in Government/ Semi-Government and public sector companies, Tax incentives, and availability of low interest loan from the banks, pushed the demand for electrical equipments from the growing middle class. This, in turn boosted the demand for winding wire, especially Enamelled Copper wire in the domestic market. This demand will continue to grow due to the increasing consumption pattern of electrical equipments by the growing middle class; and emerging rural economy for which the Government has allotted substantial funds in the budget.

The growth of Winding Wire Industry is directly linked to the growth in power generation. This is because every mega watt hour of electricity generated in the power station will finally find its use in Electrical, Electronic & Telecommunication equipments, the coils of which are wound by Enamelled Copper Wire. Indian Power sector has been growing at an impressive rate of 7 – 8% per annum, over the last few years. Despite the Global recession, India's Energy requirements are expected to grow by 6 – 7 % per annum.

Government of India has planned a capacity addition of 78,000MW of Power generation during the 11<sup>th</sup> Plan period. A Further addition of 100,000MW has been expected during 12<sup>th</sup> & 13<sup>th</sup> Plan (Source IEEMA, June 2009 edition).

This capacity addition will accelerate the growth of Indian Electrical Industry. Electricity has become a basic necessity of society in modern civilization, apart from Food, clothing and shelter. In order to provide Electricity to India's population which stood at approx 1.1 billion (as of now) and to meet the increasing power consumption pattern of our fast growing Middle class people, Further capacity addition is expected in the coming years. Therefore, the future is bright and robust growth in demand for Enamelled Copper wire is expected.

### (E) Risks and Concerns

In the highly competitive market, subject to rapid technological changes and regulatory developments, the Company's ability to manage diverse risks determines its success. As the business environment remains challenging and scale

becomes the most critical component for survival, the Company continues to invest in growth drivers namely people and processes besides the expansion plan so as to remain in the race at a good position. The Company continues to remain focused on its core competence product i.e. Enamelled Copper Winding Wire and widening the base in Enamelled Strips, Enamelled Aluminium Wire, Submersible Winding Wire, Fiber Glass Covered Copper Strips, Paper Covered Copper Strips etc. Low value addition and stiff competition in the market continues to have an impact on the company's realisations and also exert pressure on the margins.

**(F) Internal Control Systems and their adequacy**

The Company has in place adequate internal control systems and procedures to commensurate with the size and nature of its business. The internal control systems in the Company are reviewed by the Board of Directors which would provide assurance regarding the effectiveness and efficiency of operation, reliability of financial reporting and compliance with applicable laws and regulations. The transactions are authorized, recorded and reported in conformity with generally accepted accounting practices.

All employees are rigorously exposed and trained to follow the Company's business conduct guidelines with integrity as the foundation of every transaction and activity that is undertaken.

**(G) Discussions on financial performance with respect to operational performance:**

**Highlights**

Description	2008-2009	2007-2008	Changes
Sales - Enamelled Copper Wire (in Mts)	8,171	6,755	21%
(Rs. in Lacs)			
Gross Sales and Other Income	33,940.48	33,340.73	2%
Profit before Interest, Depreciation, Taxation & Extraordinary items	1,131.66	1,679.21	-33%
Interest Expenditure (net of income)	627.14	577.71	9%
Depreciation	286.40	234.61	22%
Net Profit after Tax	137.10	550.64	-75%
Earning Per Share (in Rs.)	1.25	5.80	-78%

**(H) Human Resource Development**

The development of human resources is the top most priority as the Company considers human resources as the most important asset.

Value addition in human resource is emphasised throughout the organisation. Regular training is provided through well structured and objective programs.

Focus on building skills and values are also taking place through a series of workshops taken by myself for all employees.

The organisation has a continued Education Program designed to enhance the knowledge of employees. Knowledge sharing sessions are held regularly to hone up skills of employees.

**CAUTIONARY STATEMENT:**

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/ supply and price conditions in the markets in which the Company operates, changes in the government regulations, tax laws and statutes and other incidental factors.

For and on Behalf of Board

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Rameshwarlal Kabra**  
**Chairman**

## **PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of  
Ram Ratna Wires Limited

We have examined the compliance of conditions of Corporate Governance by Ram Ratna Wires Limited ("the Company") for the year ended 31<sup>st</sup> March, 2009, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examinations were limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of 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 and the representations made by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated Clause 49 of the Listing Agreement.

As per the records of the Company, there were no investor grievances remaining unattended for a period exceeding one month against the Company.

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 and on behalf of

**M/s. Rathi & Associates**  
Company Secretaries

Place: Mumbai  
Date: 12<sup>th</sup> June, 2009

**Narayan Rathi**  
Partner  
FCS No.: 1433  
CP No.: 1104

---

### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

Pursuant to Clause 49 (D) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliances with the Code of Conduct for the year ended 31<sup>st</sup> March, 2009.

Place: Mumbai  
Date: 12<sup>th</sup> June, 2009

**Tribhuvanprasad Kabra**  
Managing Director

## AUDITORS' REPORT TO THE MEMBERS OF M/S RAM RATNA WIRES LIMITED

We have audited the attached Balance Sheet of M/s. **Ram Ratna Wires Limited** as at 31<sup>st</sup> March, 2009 and also the Profit and Loss Account and the Cash Flow Statement of the Company 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.

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 from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors Report) Order, 2003, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraph 1 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 Section 211 (3C) of the Companies Act, 1956;
  - e) On the basis of written representations received from the Directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2009 from being appointed as a Director under Section 274(1)(g) 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 read together with notes thereon in general and note no. 7 in particular regarding the agreement for availing ERP Support Services pending with the Central Govt. for its approval, 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 followed in India :
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
    - (ii) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
    - (iii) in the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For V.C. Darak & Associates**  
Chartered Accountants

**V.C. Darak**  
Proprietor  
M.No.6307

Place : Mumbai  
Date: 12<sup>th</sup> June, 2009

**ANNEXURE REFERRED TO IN THE AUDITORS' REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2009 OF M/S RAM RATNA WIRES LIMITED**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management but no material discrepancies were noticed.
- (c) No substantial part of fixed assets have been disposed off during the year. The going concern concept is not affected.
- (ii) (a) The Company has conducted physical verification of inventory during the year at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.
- (iii) (a) The Company has not given any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clause 4(iii)(b), (c) and (d) of the Companies (Auditors report) Order 2003 is not applicable.
- (b) The Company has taken unsecured loan from three Companies and one party covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1393.76 Lacs and year end balance from such Companies and party was Rs. 341.94 Lacs.
- (c) The rate of interest and other terms and conditions of loans taken are prima facie not prejudicial to the interest of the Company.
- (d) The payment of the principal amount and interest is regular.
- (iv) The Company has an adequate internal control procedure commensurate with the size and nature of business of the Company for the purchase of inventory, fixed assets and the sale of goods. In view of this the question of failure to correct weaknesses in internal control does not arise.
- (v) (a) Transactions that need to be entered into register in pursuance of Section 301 of the Act have been so entered.
- (b) Each of the transactions referred to in sub-paragraph (a) above which exceed Rs.5 Lacs in value are reasonable having regard to the then prevailing market prices.
- (vi) The Company has accepted deposits from the public. There is a proper compliance of directives of RBI and the provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the rules made thereunder.
- (vii) The Company does not have any formal internal audit system but we are convinced that control procedures instituted by the management ensure reasonable internal checking of its financial and other transactions.
- (viii) The maintenance of cost records has been prescribed by the Central Govt. under Clause (d) of the Sub-section (1) of Section 209 of the Companies Act, 1956. We have broadly reviewed the books of account which are made and maintained in pursuance of the prescriptions.
- (ix) (a) The Company is regular in depositing undisputed statutory dues with the appropriate authorities. There are no arrears of any statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) There are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.



- (x) There are no accumulated losses at the end of the financial year. The Company has not incurred cash loss either in the current or in the preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to banks etc.
- (xii) The Company has not granted any loans and advances on the basis of security. In view of this, the question of maintenance of records and adequacy of documents does not arise.
- (xiii) The company not being nidhi/mutual benefit fund/societies this clause is inapplicable. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors Report) Order, 2003 are not applicable.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loans taken by others either from bank or financial institution.
- (xvi) The term loans obtained have been applied for the purpose for which they were taken.
- (xvii) On the basis of 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 investments.
- (xviii) The Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures.
- (xx) The Company has not raised monies by way of public issue during the year.
- (xxi) As informed to us no fraud on or by the Company has been noticed or reported during the year.

**For V.C. Darak & Associates**  
Chartered Accountants

**V.C. Darak**  
Proprietor  
M.No.6307

Place : Mumbai  
Date: 12<sup>th</sup> June, 2009

## BALANCE SHEET AS AT 31ST MARCH, 2009

(Rs. in Lacs)

PARTICULARS	SCHEDULE	AS AT		AS AT	
		31 <sup>st</sup> March, 2009		31 <sup>st</sup> March, 2008	
<b>I. SOURCES OF FUNDS</b>					
<b>1. Shareholders' Funds</b>					
(a) Share Capital	A	1,100.00		1,100.00	
(b) Reserves and Surplus	B	1,749.43	2,849.43	1,708.85	2,808.85
<b>2. Loan Funds</b>					
(a) Secured Loans	C	3,824.23		4,960.52	
(b) Unsecured Loans	D	742.88	4,567.11	437.47	5,397.99
<b>3. Deferred Tax Liability</b>			302.90		241.88
<b>TOTAL</b>			<b>7,719.44</b>		<b>8,448.72</b>
<b>II. APPLICATION OF FUNDS</b>					
<b>1. Fixed Assets</b>	E				
Gross Block		4,376.88		3,577.64	
Less : Depreciation		1,412.35		1,135.60	
Net Block		2,964.53		2,442.04	
Add : Work-in-Progress		61.10	3,025.63	102.82	2,544.86
<b>2. Investments</b>	F		40.00		40.00
<b>3. a) Current Assets, Loans &amp; Advances</b>					
(i) Inventories	G	691.14		1,001.51	
(ii) Sundry Debtors	H	3,922.26		5,038.58	
(iii) Cash & Bank Balances	I	151.92		149.04	
(iv) Other Current Assets	J	39.53		59.39	
(v) Loans & Advances	K	1,304.66	6,109.51	1,005.70	7,254.22
<b>b) Less : Current Liabilities &amp; Provisions</b>					
(i) Liabilities	L	988.59		848.60	
(ii) Provisions	M	467.11	1,455.70	541.76	1,390.36
<b>Net Current Assets (a-b)</b>			<b>4,653.81</b>		<b>5,863.86</b>
<b>TOTAL</b>			<b>7,719.44</b>		<b>8,448.72</b>
<b>Significant accounting policies and notes on accounts</b>	T				

The schedules referred to above and notes on accounts annexed hereto form an integral part of the Balance Sheet and Profit and Loss Account.

As per our report of even date

For and on behalf of the Board

**For V.C. Darak & Associates**  
Chartered Accountants

**Rameshwarlal Kabra**  
Chairman

**Tribhuvanprasad Kabra**  
Managing Director

**Mahendra Kumar Kabra**  
Director

**V.C. Darak**  
Proprietor  
M.No. 6307

**Vishnu Anant Mahajan**  
Director

**Mukund Chitale**  
Director

**Satyanarayan Loya**  
Director

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Ajai Singh**  
Director

# PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Rs. in Lacs)

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31 <sup>st</sup> March, 2009		FOR THE YEAR ENDED 31 <sup>st</sup> March, 2008	
<b>INCOME</b>					
Sales and related income	N	33,916.91		33,274.00	
Less : Excise Duty		<u>3,563.44</u>	<u>30,353.47</u>	<u>4,489.65</u>	28,784.35
Other Income			<u>23.57</u>		66.73
<b>TOTAL</b>			<u><b>30,377.04</b></u>		<u>28,851.08</u>
<b>EXPENDITURE</b>					
Decrease / (Increase) in Stock	O		<u>472.70</u>		(379.17)
Consumption of Raw & Packing Materials	P		<u>26,934.55</u>		26,114.14
Employees Cost	Q		<u>368.30</u>		287.29
Other Expenditure	R		<u>1,469.83</u>		1,149.61
Interest	S		<u>627.14</u>		577.71
Depreciation	E		<u>286.40</u>		234.61
<b>TOTAL</b>			<u><b>30,158.92</b></u>		<u>27,984.19</u>
<b>Profit before tax and extraordinary items</b>			<u><b>218.12</b></u>		866.89
<b>Extraordinary items</b>					
Service Tax writtenback (Note # 6)		<u>9.28</u>		0.00	
(Loss) on Sale and discarded of Assets		<u>(6.11)</u>	<u>3.17</u>	<u>(6.79)</u>	<u>(6.79)</u>
<b>Profit before taxes</b>			<u><b>221.29</b></u>		860.10
Provision for :					
- Previous year's Tax		<u>(2.82)</u>		2.32	
- Current year's Tax		<u>25.65</u>		295.16	
- Deferred Tax		<u>61.02</u>	<u>83.85</u>	<u>26.79</u>	<u>324.27</u>
<b>Profit before prior period adjustments</b>			<u><b>137.44</b></u>		535.83
Income/(Expenses) Prior period adjustments			<u>(0.34)</u>		14.81
<b>Net Profit after Tax and prior period adjustments</b>			<u><b>137.10</b></u>		550.64
(Used for computing Earning Per Share)					
<b>Balance brought forward from previous year</b>			<u><b>903.65</b></u>		579.14
<b>Profit available for appropriations</b>			<u><b>1,040.75</b></u>		1,129.78
<b>Less : Appropriations</b>					
General Reserve		<u>0.00</u>		30.00	
Proposed Dividend		<u>82.50</u>		165.00	
Corporate Tax on Proposed Dividend		<u>14.02</u>	<u>96.52</u>	<u>28.04</u>	<u>223.04</u>
<b>Balance carried to Balance Sheet</b>			<u><b>944.23</b></u>		<u>906.74</u>
Earnings Per Share (Basic and Diluted) Rs.			<u><b>1.25</b></u>		5.80
Number of Shares used in Computing Earning Per Share (In Lacs)			<u><b>110.00</b></u>		94.87
<b>Significant accounting policies and notes on accounts</b>	T				

The schedules referred to above and notes on accounts annexed hereto form an integral part of the Balance Sheet and Profit and Loss Account.

As per our report of even date

For and on behalf of the Board

**For V.C. Darak & Associates**

Chartered Accountants

**Rameshwarlal Kabra**  
Chairman

**Tribhuvanprasad Kabra**  
Managing Director

**Mahendra Kumar Kabra**  
Director

**V.C. Darak**

Proprietor  
M.No. 6307

**Vishnu Anant Mahajan**  
Director

**Mukund Chitale**  
Director

**Satyanarayan Loya**  
Director

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Ajai Singh**  
Director

## SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs. in Lacs)

PARTICULARS	AS AT 31 <sup>st</sup> March, 2009		AS AT 31 <sup>st</sup> March, 2008	
<b>SCHEDULE "A"</b>				
<b>SHARE CAPITAL</b>				
<b>Authorised</b>				
15,000,000 (P.Y. 15,000,000) Equity Shares of Rs. 10/- each		<b>1,500.00</b>		1,500.00
<b>Issued, Subscribed and Paid-Up</b>				
11,000,000 (P.Y. 11,000,000) Equity Shares of Rs. 10/- each Fully paid-up.		<b>1,100.00</b>		1,100.00
<b>SCHEDULE "B"</b>				
<b>RESERVES AND SURPLUS</b>				
<b>GENERAL RESERVE</b>				
Balance b/f from previous Balance Sheet		<b>42.00</b>		12.00
Add : Balance Transferred from Profit & Loss A/C		<b>0.00</b>	<b>42.00</b>	30.00
				42.00
<b>PROFIT AND LOSS ACCOUNT</b>				
Balance b/f from Profit & Loss A/C		<b>944.23</b>		906.74
Less : Adjustment on account of adoption of AS-15 (revised)		<b>0.00</b>	<b>944.23</b>	3.09
				903.65
<b>SHARE PREMIUM ACCOUNT</b>				
		<b>763.20</b>		763.20
<b>TOTAL</b>		<b>1,749.43</b>		1,708.85
<b>SCHEDULE "C"</b>				
<b>SECURED LOANS</b>				
<b>A From Banks</b>				
(i) Working Capital Loans		<b>3,098.79</b>		3,920.10
(ii) Term Loans		<b>723.14</b>		1,030.24
(iii) Vehicle Loans		<b>2.30</b>		7.74
(iv) Corporate Loans		<b>0.00</b>	<b>3,824.23</b>	0.10
				4,958.18
<b>B From Others</b>				
(i) Vehicle Loans		<b>0.00</b>		2.34
<b>TOTAL</b>		<b>3,824.23</b>		4,960.52

Notes :-

- The Working Capital Loans at item A (i) are pari passu secured by personal guarantees of two promoter Directors and hypothecation charge over entire Current Assets such as stocks, book debts, stores etc. and pari passu first charge over the existing & future assets of the Company.
- The Term Loans at item A (ii) are secured by personal guarantees of two promoter Directors and first charge over the existing fixed assets of the Company and hypothecation of specific machinery.
- The Vehicle Loans at items A (iii) are secured by way of hypothecation of specific Vehicles.

## SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs. in Lacs)

PARTICULARS	AS AT 31 <sup>st</sup> March, 2009	AS AT 31 <sup>st</sup> March, 2008
<b>SCHEDULE "D"</b>		
<b>UNSECURED LOANS</b>		
Others	<b>742.88</b>	437.47
(Including interest accrued & due Rs. 20.06 Lacs, P.Y. 14.47 Lacs)		
<b>TOTAL</b>	<b>742.88</b>	437.47

## SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

### SCHEDULE "E"

#### FIXED ASSETS

(Rs. in Lacs)

Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31-Mar-08	Addi- tions	Deduc- tions/ Adjust- ments	As at 31-Mar-09	Upto 31-Mar-08	For the year	Deduc- tions/ Adjust- ments	Upto 31-Mar-09	As at 31-Mar-09	As at 31-Mar-08
Land - Free Hold	51.68	14.74	0.00	<b>66.42</b>	0.00	0.00	0.00	<b>0.00</b>	<b>66.42</b>	51.68
Factory Building	664.56	1.14	0.00	<b>665.70</b>	125.83	22.22	0.00	<b>148.05</b>	<b>517.65</b>	538.73
Residential Building	197.31	0.00	0.00	<b>197.31</b>	12.95	3.22	0.00	<b>16.17</b>	<b>181.14</b>	184.36
Plant & Machinery	2,314.29	770.03	1.78	<b>3,082.54</b>	871.69	224.74	1.50	<b>1,094.92</b>	<b>1,987.62</b>	1,442.60
Electrical Installations	66.71	0.00	0.00	<b>66.71</b>	37.97	6.90	0.00	<b>44.87</b>	<b>21.84</b>	28.74
Furniture & Fixtures	71.34	4.59	0.00	<b>75.93</b>	16.42	4.66	0.00	<b>21.08</b>	<b>54.85</b>	54.92
Office and Other Equipments	115.26	28.97	1.03	<b>143.20</b>	45.79	15.22	0.31	<b>60.70</b>	<b>82.50</b>	69.47
Vehicles	96.49	4.52	21.94	<b>79.07</b>	24.95	9.44	7.83	<b>26.56</b>	<b>52.51</b>	71.54
	3,577.64	823.99	24.75	<b>4,376.88</b>	1,135.60	286.40	9.64	<b>1,412.35</b>	<b>2,964.53</b>	2,442.04
Capital Work in Progress	102.82	667.15	708.87	<b>61.10</b>	0.00	0.00	0.00	<b>0.00</b>	<b>61.10</b>	102.82
<b>Total</b>	<b>3,680.46</b>	<b>1,491.14</b>	<b>733.62</b>	<b>4,437.98</b>	<b>1,135.60</b>	<b>286.40</b>	<b>9.64</b>	<b>1,412.35</b>	<b>3,025.63</b>	<b>2,544.86</b>
Previous Year	3,111.99	683.42	114.95	<b>3,680.46</b>	958.22	234.61	57.23	1,135.60	2,544.86	

## SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs. in Lacs)

PARTICULARS	AS AT 31 <sup>st</sup> March, 2009	AS AT 31 <sup>st</sup> March, 2008
<b>SCHEDULE "F"</b>		
<b>INVESTMENTS</b>		
<b>Long Term</b>		
<b>Unquoted - at cost</b>		
520,000 Fully paid up Equity Shares of Rs. 10/- each in RR Kabel Ltd a company under the same management.	<b>40.00</b>	40.00
<b>TOTAL</b>	<b>40.00</b>	40.00
<b>SCHEDULE "G"</b>		
<b>INVENTORIES</b>		
Raw Materials	<b>207.83</b>	53.16
Finished Goods	<b>273.94</b>	673.47
Work-in-progress	<b>144.34</b>	230.56
Packing Materials	<b>29.70</b>	23.87
Fuel	<b>9.01</b>	7.18
Scrap	<b>26.32</b>	13.27
<b>TOTAL</b>	<b>691.14</b>	1,001.51
<b>SCHEDULE "H"</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured and Considered Good)		
Debts outstanding for a period exceeding six months	<b>129.19</b>	125.92
Others	<b>3,793.07</b>	4,912.66
(Including Rs 128.09 Lacs (P.Y. 116.68 Lacs) due from firm in which Directors are interested and Rs. 107.71 Lacs (P.Y. 116.98 Lacs) due from a Company under the same management.)		
<b>TOTAL</b>	<b>3,922.26</b>	5,038.58
<b>SCHEDULE "I"</b>		
<b>CASH &amp; BANK BALANCES</b>		
Cash in hand	<b>1.72</b>	1.70
<b>BALANCES WITH SCHEDULED BANKS</b>		
In Current Accounts	<b>137.73</b>	132.50
In Term Deposit Accounts	<b>0.75</b>	1.00
In Margin Money Accounts	<b>11.72</b>	13.84
<b>TOTAL</b>	<b>150.20</b>	147.34
	<b>151.92</b>	149.04

## SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs. in Lacs)

PARTICULARS	AS AT 31 <sup>st</sup> March, 2009	AS AT 31 <sup>st</sup> March, 2008
<b>SCHEDULE "J"</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest Accrued but not due	0.82	0.44
Export Incentive Receivable	37.94	48.98
Sundries	0.77	9.97
<b>TOTAL</b>	<b>39.53</b>	<b>59.39</b>
<b>SCHEDULE "K"</b>		
<b>LOANS &amp; ADVANCES</b>		
(Unsecured and Considered Good)		
Advances recoverable in cash or in kind or for value to be received	9.54	5.06
Loans	2.50	2.50
Advance Income Tax	437.98	280.08
Pre-paid Expenses	13.27	16.56
Balances with Excise Authorities	302.91	275.79
Advance for Purchases	304.69	192.38
Advance for Capital Goods	191.70	190.86
Deposits	42.07	42.47
<b>TOTAL</b>	<b>1,304.66</b>	<b>1,005.70</b>
<b>SCHEDULE "L"</b>		
<b>LIABILITIES</b>		
Sundry Creditors	575.18	480.45
Advances from Customers	38.00	63.21
Other Current Liabilities	375.41	304.94
<b>TOTAL</b>	<b>988.59</b>	<b>848.60</b>
<b>SCHEDULE "M"</b>		
<b>PROVISIONS</b>		
For Income Tax	370.59	348.72
For Proposed Dividend	82.50	165.00
For Corporate Tax on Proposed Dividend	14.02	28.04
<b>TOTAL</b>	<b>467.11</b>	<b>541.76</b>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT**

(Rs. in Lacs)

PARTICULARS	FOR THE YEAR ENDED 31 <sup>st</sup> March, 2009	FOR THE YEAR ENDED 31 <sup>st</sup> March, 2008
<b>SCHEDULE "N"</b>		
<b>SALES AND RELATED INCOME</b>		
Sales (Including Excise Duty)	<b>33,815.04</b>	33,139.28
Processing Charges	<b>101.87</b>	134.72
<b>TOTAL</b>	<b><u>33,916.91</u></b>	<u>33,274.00</u>
<b>SCHEDULE "O"</b>		
<b>DECREASE / (INCREASE) IN STOCKS</b>		
<b>Opening Stocks</b>		
Finished Goods	<b>673.47</b>	313.25
Work-in-progress	<b>230.56</b>	215.06
Scrap	<b>13.27</b>	9.82
<b>Less : Closing Stocks</b>		
Finished Goods	<b>273.94</b>	673.47
Work-in-progress	<b>144.34</b>	230.56
Scrap	<b>26.32</b>	13.27
<b>TOTAL</b>	<b><u>472.70</u></b>	<u>(379.17)</u>
<b>SCHEDULE "P"</b>		
<b>CONSUMPTION OF RAW &amp; PACKING MATERIALS</b>		
Raw Materials	<b>26,616.37</b>	25,855.46
Packing Materials	<b>318.18</b>	258.68
<b>TOTAL</b>	<b><u>26,934.55</u></b>	<u>26,114.14</u>
<b>SCHEDULE "Q"</b>		
<b>EMPLOYEES COST</b>		
Salaries and Bonus	<b>343.58</b>	267.56
Contribution to Provident Fund	<b>13.05</b>	10.66
Staff Welfare	<b>11.67</b>	9.07
<b>TOTAL</b>	<b><u>368.30</u></b>	<u>287.29</u>



## SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Rs. in Lacs)

PARTICULARS	FOR THE YEAR ENDED 31 <sup>st</sup> March, 2009	FOR THE YEAR ENDED 31 <sup>st</sup> March, 2008
<b>SCHEDULE "R"</b>		
<b>OTHER EXPENDITURE</b>		
Auditor's Remuneration	2.57	2.48
Bank Charges	30.25	63.33
Bad Debts	8.23	30.15
Cash Discount	8.49	6.57
Commission on Sales	47.05	41.12
Consumables stores & spares	89.86	59.84
Director's Remuneration	28.65	46.41
Electricity	4.77	4.60
Freight & Octroi on Sales	222.31	164.51
Insurance	14.82	18.15
Power & Fuel	719.59	466.03
Rates and Taxes	1.70	0.98
Rent	8.41	7.34
Repairs		
- Building	9.21	2.21
- Machinery	74.74	81.43
- Others	12.99	12.51
Travelling Expenses	12.25	12.54
Miscellaneous Expenses	173.94	129.41
<b>TOTAL</b>	<b>1,469.83</b>	<b>1,149.61</b>
<b>SCHEDULE "S"</b>		
<b>INTEREST</b>		
<b>Interest Paid to :</b>		
Banks	515.79	452.44
Others	120.81	130.71
	636.60	583.15
Less : Interest Income (TDS Rs. 0.14 Lac (P.Y. Rs. 1.16 Lacs))	9.46	5.44
<b>TOTAL</b>	<b>627.14</b>	<b>577.71</b>

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE****SCHEDULE "T"****A) SIGNIFICANT ACCOUNTING POLICIES:****(i) Basis of Preparation**

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting with Generally Accepted Accounting Principles (GAAP) and Accounting Standards issued by Institute of Chartered Accountants of India, as applicable and relevant provisions of Companies Act, 1956.

**(ii) Use of Estimation**

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) in India, requires the management to make estimation and assumptions that affect the reporting amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements.

**(iii) Depreciation**

Depreciation on Fixed Assets is provided on straight-line method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

**(iv) Fixed Assets**

Fixed Assets are stated at cost net of CENVAT/ Value Added Tax, less accumulated depreciation and impairment loss, if any.

**(v) Valuation of Inventories**

- a) Raw materials, Work-in-progress and Finished goods are valued at the lower of cost or realisable value. The cost is determined using FIFO method.
- b) The cost of purchase comprise of the purchase price including duties and taxes (other than those subsequently recoverable by the Company from the taxing authorities), freight inward and other expenditure directly attributable to the acquisition but net of trade discount, rebates and other similar items.
- c) Packing Materials and Fuel are valued at lower of cost or net realisable value. The cost is determined using FIFO method.
- d) Scrap is valued at net realizable value.
- e) Consumable Stores and Spares being negligible percentage of Finished Goods are charged off to Profit and Loss account in the year of purchase.
- f) The cost of inventories comprise the cost of purchases, the cost of conversion and the cost of packing material in case of Finished Goods.
- g) The cost of conversion comprises of Depreciation on Factory Building and Plant & Machinery, Power & Fuel, Factory Management and Administration expenses, Repairs & Maintenance and Consumable Stores & Spares.

**(vi) Investments**

Long term unquoted equity shares are stated at cost.

**(vii) Sales**

Sales include sales of finished goods, semi finished goods, scrap and excise duty but net of sales returns and rate difference.

**(viii) Foreign Currency Transactions**

- a) Foreign Currency Transactions are recorded at the exchange rate prevailing on the date of transaction.
- b) Current assets and liabilities in foreign currency at the balance sheet date are translated with reference to the year end exchange rates.
- c) The premium or discount that arise on entering into a forward exchange contracts for hedging are measured by the difference between the exchange rate at the date of inception of the forward exchange contract and the forward rate.

- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account. The premium or discount on forward contract entered into to hedge the foreign currency risks of a firm commitment is recognized over the life of contract.

**(ix) Employee Benefits**

- a) Short term benefits are recognized as an expense at the undiscounted amount in profit & loss account of the year in which related services are rendered.
- b) Defined Contribution plan :  
Provident Fund deducted from employees together with employer's contribution is remitted to Employee's Provident Fund administered by the Central Government, and employers contribution is charged to Profit & Loss account.
- c) Defined Benefit Plan :  
Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation on Project Unit Credit Method made at the end of each financial year. The scheme is maintained and administered by LIC to which the trustees make periodical contributions.
- d) Leave Salary :  
The liability towards compensated absence is recognized based on actuarial valuation carried out using the Projected Unit Credit Method.

**(x) 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 differences' between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

**(xi) Earning per share**

In determining earning per share, the Company considers the net profit after tax, extraordinary items and prior period adjustments. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

**(xii) Impairment of Assets**

An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired.

**(xiii) Borrowing Costs**

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

**(xiv) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**B) NOTES ON ACCOUNTS:**

**1. Contingent Liabilities not provided for in respect of**

(Rs. in Lacs)

Particulars	2008-09	2007-08
Bank Guarantees given	110.00	82.50
Estimated amount of contracts remaining to be executed on Capital Account (Net of advance)	19.21	420.61

**2. Foreign currency transactions**

(Rs. in Lacs)

Particulars	2008-09	2007-08
<b>a) Value of imports Calculated on CIF basis</b>		
Raw Material	<b>4,897.90</b>	39.74
Components and Spare Parts	<b>6.84</b>	10.68
Capital Goods	<b>304.34</b>	350.67
<b>b) Expenditure</b>		
Travelling expenses	<b>2.29</b>	0.73
Interest	<b>47.73</b>	114.11
<b>c) Dividends remitted</b>		
No. of Non-Resident Shareholders	<b>1</b>	Nil
No. of Shares held by Non-Resident Shareholders	<b>7,00,000</b>	Nil
Dividend	<b>10.50</b>	Nil
<b>d) Earnings</b>		
FOB value of export	<b>464.34</b>	Nil

**3. Management Remuneration**

(Rs in Lacs)

Particulars	2008-09	2007-08
<b>Managing Director</b>		
Remuneration	<b>28.62</b>	24.00
Commission	<b>Nil</b>	22.34
Perquisites	<b>0.03</b>	0.07
<b>Total</b>	<b>28.65</b>	46.41

**Computation of net profit in accordance with Section 349 of the Companies Act, 1956**

(Rs in Lacs)

Particulars	2008-09	2007-08
Net profit for the year	<b>220.95</b>	874.91
Add:		
1. Remuneration	<b>28.62</b>	24.00
2. Perquisites	<b>0.03</b>	0.07
3. Commission	<b>Nil</b>	22.34
4. Loss on sale and discarded of assets	<b>6.11</b>	6.79
5. Depreciation as per books	<b>286.40</b>	234.61
	<b>542.11</b>	1162.72
Less : Depreciation as envisaged under Section 350 of the Companies Act, 1956.	<b>286.40</b>	234.61
Net profit in accordance with Section 349 of the Companies Act, 1956	<b>255.71</b>	928.11

#### 4. Auditors' Remuneration

(Rs in Lacs)

Particulars	2008-09	2007-08
Audit Fees	1.75	1.75
Tax Audit Fees	0.50	0.50
Others	0.32	0.23
<b>Total</b>	<b>2.57</b>	2.48

5. Excise duty is accounted as and when the goods are cleared. Accordingly, excise duty amounting to Rs. 27.60 Lacs has not been accounted and considered for valuation of stocks. The said practice has no effect on the Profit and Loss Account for the year.
6. Service Tax of Rs. 9,28,041/- paid on account of freight in the earlier years was charged to profit is written back and claimed as Cenvat Credit relying upon the judgment of Punjab & Haryana High Court in the case of Gujarat Ambuja Cement Limited.
7. The Company has entered into an agreement with another Company under the same management after obtaining the Board's consent u/s 297(1) for availing the ERP Support Services and submitted the application to the Central Govt. under provision to section 297(1) for its approval. Pending the approval, the Company has made a payment of Rs. 6,40,438/- towards the services availed by it.
8. The Company has written to all suppliers enquiring about their status under MSMED Act, 2006. However information is not received from all the suppliers. In case of enterprises which have informed and are covered under the Act, the Company has made the payment in time.
9. Value of Raw Material, Spare parts and Components consumed:

(Rs. in Lacs)

Particulars	2008-09		2007-08	
	Amount	%	Amount	%
Imported	4,979.17	18.71	38.92	0.15
Indigenous	21,637.20	81.29	25,816.54	99.85

#### 10. Capacity and Production

Finished Goods	Licensed Capacity	Installed Capacity	Actual Production
Enamelled Copper Winding Wire	N.A.	4028.000 Mts (3,348.000 Mts)	8,289.334 Mts* (7,017.172 Mts)
Enamelled Copper Strips	N.A.	200.000 Mts (200.000 Mts)	281.937 Mts (89.668 Mts)
Enamelled Aluminium Winding Wire	N.A.	- -	93.952 Mts (32.695 Mts)

\*Including Job work quantity 175.656 Mts (P.Y. 194.651 Mts).

#### Notes:

- a) Installed capacity is on a single shift and single product basis.
- b) Production of Enamelled Copper Winding Wire, Enamelled Copper Strips and Enamelled Aluminium Winding Wire are exempt from the licensing requirement.
- c) The production of Enamelled Copper Winding Wire include 4.512 Mts (P. Y. 4.065) subsequently converted in Scrap.
- d) Previous years figures are written in brackets.

**11. Deferred Tax Assets and deferred tax Liabilities comprises of the following**

(Rs in Lacs)

Deferred Tax comprises of	2008-09		2007-08	
	<b>a) Deferred tax liabilities</b>			
Depreciation	<b>310.78</b>		244.98	
Others	<b>2.61</b>	<b>313.39</b>	1.02	246.00
<b>b) Deferred tax Assets</b>				
Others		<b>10.49</b>		4.12
<b>Deferred tax (Net) (a-b)</b>		<b>302.90</b>		241.88

**12. Disclosure in respect of Related Parties pursuant to Accounting Standard - 18**

**I) List of Related Parties**

- a) Key Management Personnel:
  - Shri Tribhuvanprasad Kabra (Managing Director)
  - Shri Mahendra Kumar Kabra (Director)
- b) Relatives of Key Management:
  - Shri Rameshwarlal Kabra
  - Smt Hemlata Kabra
  - Shri Shreegopal Kabra (HUF)
  - Smt Priti Saboo
- c) Entities over which Key Management Personnel and their relatives are able to exercise significant influence/Control :
  - RR Kabel Limited
  - Ram Ratna Research and Holdings Pvt. Limited
  - Jag Bid Finvest Pvt. Limited
  - Kabel Buildcon Solution Pvt. Limited
  - MEW Electricals Pvt. Limited
  - Ram Ratna International

**II) During the year following transactions were carried out with the related parties in the ordinary course of business**

(Rs in Lacs)

Particulars	Referred in I (a) above	Referred in I (b) above	Referred in I (c) above
<b>Purchases: Goods and Services</b>			
RR Kabel Ltd	---	---	38.43
MEW Electricals Pvt Ltd	---	---	1266.89
Ram Ratna Research and Holdings Pvt Ltd.	---	---	6.40
<b>Sales: Goods and Services</b>			
RR Kabel Ltd.	---	---	10.48
Ram Ratna International	---	---	3315.78
MEW Electricals Pvt. Ltd.	---	---	818.71

(Rs in Lacs)

Particulars	Referred in I (a) above	Referred in I (b) above	Referred in I (c) above
<b>Expenses</b>			
Rent and Other Services	---	6.42	2.14
Interest Paid	---	1.15	67.78
Directors Sitting Fees	0.19	0.13	---
Directors Remuneration	28.65	---	---
<b>Finance &amp; Investment</b>			
<b>Unsecured Loans Accepted</b>			
Ram Ratna Research and Holdings Pvt Ltd.	---	---	1378.61
RR Kabel Ltd.	---	---	900.00
Priti Saboo	---	15.15	---
<b>Outstandings (Net)</b>			
<b>Receivables</b>			
Ram Ratna International	---	---	128.09
MEW Electricals Pvt. Ltd.	---	---	85.70
<b>Unsecured Loans Payable</b>			
Ram Ratna Research and Holdings Pvt Ltd.	---	---	324.84
Priti Saboo	---	16.56	---
Others	---	---	0.53

During the year an amount of Rs.2,00,000/- donated to Ratanidevi Kabra Charitable Trust and Rs.5,50,000/- to Kabra Foundation (Charitable Trusts) in which certain directors of the Company are trustees.

### 13. Quantitative Details

Particulars	2008-09		2007-08	
	Qty. (Mts)	Amount (Lacs)	Qty. (Mts)	Amount (Lacs)
<b>Opening Stock</b>				
<b>Raw Material/Work-in-Progress</b>				
Copper	2.988	10.75	13.341	42.80
Enamels/Thinner	35.994	42.41	29.710	34.49
Work-in-Progress	---	230.56	---	215.06
<b>Finished Goods</b>				
Enamelled Copper Winding Wire	149.171	591.94	86.067	304.79
Enamelled Copper Strip	10.107	40.01	1.860	6.72
Enamelled Aluminium Winding Wire	7.749	11.81	---	---
Copper Wire	1.594	6.02	0.514	1.74
Copper Strips	6.489	23.69	---	---
Copper Scrap	3.883	13.27	3.108	9.82

Particulars	2008-09		2007-08	
	Qty. (Mts)	Amount (Lacs)	Qty. (Mts)	Amount (Lacs)
<b><u>Purchases</u></b>				
Copper*	<b>8,861.177</b>	<b>25,680.11</b>	7,471.691	25,010.81
Aluminium	<b>101.043</b>	<b>132.01</b>	43.785	54.37
Enamels/Thinner	<b>861.311</b>	<b>951.82</b>	745.063	790.28
Sales Returns Copper	<b>41.132</b>	<b>183.04</b>	40.154	176.64
Sales Returns Aluminium	<b>0.347</b>	<b>1.00</b>	0.856	2.19
Other Raw Material	---	<b>7.10</b>	---	---
<b><u>Consumption</u></b>				
Copper	<b>8,779.462</b>	<b>25,531.88</b>	7,482.044	25,010.81
Aluminium	<b>101.043</b>	<b>132.01</b>	43.785	54.37
Enamels/Thinner	<b>858.455</b>	<b>951.54</b>	738.779	790.28
Sales Returns Copper	<b>41.132</b>	<b>183.04</b>	40.154	176.64
Sales Returns Aluminium	<b>0.347</b>	<b>1.00</b>	0.856	2.19
Other Raw Material	---	<b>0.94</b>	---	---
<b><u>Sales</u></b>				
Enamelled Copper Winding Wire	<b>8,170.589</b>	<b>29,746.31</b>	6,755.352	29,744.83
Enamelled Copper Strips	<b>279.736</b>	<b>1,085.39</b>	81.421	374.98
Copper Wire	<b>211.547</b>	<b>787.78</b>	264.347	1,128.66
Copper Strips	<b>232.366</b>	<b>843.92</b>	145.983	560.01
Scrap Copper*	<b>346.908</b>	<b>1,049.06</b>	349.362	1,256.48
Scrap Aluminium	<b>13.834</b>	<b>13.01</b>	13.075	13.62
Enamelled Aluminium Winding Wire	<b>100.601</b>	<b>264.93</b>	24.946	60.70
Other Finished Goods	<b>9.269</b>	<b>24.63</b>	---	---
<b><u>Closing Stocks</u></b>				
<b>Raw Material/Work-in-Progress</b>				
Copper	<b>71.737</b>	<b>158.98</b>	2.988	10.75
Enamels/Thinner	<b>38.850</b>	<b>42.69</b>	35.994	42.41
Work-in-Progress	---	<b>144.34</b>	---	230.56
Other Raw Material	---	<b>6.16</b>	---	---
<b>Finished Goods</b>				
Enamelled Copper Winding Wire	<b>87.748</b>	<b>235.56</b>	149.171	591.94
Enamelled Copper Strips	<b>12.308</b>	<b>33.14</b>	10.107	40.01
Copper Wire	<b>0.132</b>	<b>0.31</b>	1.594	6.02
Copper Strips	<b>1.538</b>	<b>3.56</b>	6.489	23.69
Copper Scrap	<b>11.910</b>	<b>26.32</b>	3.883	13.27
Enamelled Aluminium Winding Wire	<b>1.074</b>	<b>1.25</b>	7.749	11.81
Other Finished Goods	<b>0.051</b>	<b>0.12</b>	---	---

\*Include 12.966 Mts on account of conversion of copper scrap into copper.



**14. Calculation of Basic Earning per share**

Particulars	2008-09	2007-08
Profit attributable to Equity Shares (Rs in lacs)	<b>137.10</b>	550.64
Basic/Weighted average no of Equity Shares o/s during the year	<b>110.00</b>	94.87
Face value of Equity Share	<b>10.00</b>	10.00
Basic & Diluted EPS	<b>1.25</b>	5.80

**15. Financial and Derivatives Contract**

The Company used forward contract to mitigate the risks associated with foreign currency fluctuations. The company does not enter into any forward contract which is intended for trading or speculative purposes.

a) The details of forward contract outstanding as at 31st March,2009 (Rs in Lacs)

	2008-09	2007-08
Booked against FCNR Loan	<b>Nil</b>	1,299.59

b) The details of Foreign currency exposure that are not hedged by derivatives instrument or otherwise as at 31st March,2009 (Rs in Lacs)

	2008-09	2007-08
USD - 43,207.50	<b>21.93</b>	17.28

**16. Disclosures under Accounting Standard - 15**

**Defined Benefit Plans**

(Rs in Lacs)

Particulars	Gratuity		Leave	
	2008-09	2007-08	2008-09	2007-08
<b>i) Change in Benefit Obligation</b>				
Liability at the beginning of the year	<b>24.13</b>	18.08	<b>9.90</b>	6.04
Interest Cost	<b>1.93</b>	1.45	<b>0.79</b>	0.48
Current Service Cost	<b>4.67</b>	3.70	<b>3.10</b>	2.81
Benefit Paid	<b>(1.01)</b>	(0.10)	<b>(0.74)</b>	(0.09)
Actuarial (gain)/loss on obligations	<b>1.46</b>	1.00	<b>3.21</b>	0.66
<b>Liability at the end of the year</b>	<b>31.18</b>	24.13	<b>16.26</b>	9.90
<b>ii) Fair value of Plan Assets</b>				
Fair value of plan assets at the beginning of the year	<b>16.46</b>	10.82	-	-
Expected Return on plan assets	<b>1.56</b>	1.17	-	-
Employer Contributions	<b>16.44</b>	4.57	-	-
Benefit Paid	<b>(1.01)</b>	(0.10)	-	-
Actuarial gain/(loss) on Plan Assets	-	-	-	-
<b>Fair value of plan assets at the end of the year</b>	<b>33.45</b>	16.46	-	-
<b>iii) Actual Return on Plan Assets</b>				
Expected Return on plan assets	<b>1.56</b>	1.17	-	-
Actuarial gain/(loss) on Plan Assets	-	-	-	-
<b>Actual Return on Plan Assets</b>	<b>1.56</b>	1.17	-	-
<b>iv) Amount Recognised in the Balance Sheet</b>				
Liability at the end of the year	<b>31.18</b>	24.13	<b>16.26</b>	9.90
Fair value of plan assets at the end of the year	<b>33.45</b>	16.46	-	-
Difference (Funded Status)	<b>(2.27)</b>	7.67	<b>16.26</b>	9.90
<b>Amount Recognised in the Balance Sheet</b>	<b>(2.27)</b>	7.67	<b>16.26</b>	9.90

Particulars	Gratuity		Leave	
	2008-09	2007-08	2008-09	2007-08
<b>v) Expenses Recognised in the Income Statement</b>				
Current Service Cost	<b>4.67</b>	3.70	<b>3.10</b>	2.81
Interest Cost	<b>1.93</b>	1.45	<b>0.79</b>	0.48
Expected Return on plan assets	<b>(1.56)</b>	(1.17)	-	-
Net Actuarial (Gain)/loss to be recognised	<b>1.46</b>	1.00	<b>3.21</b>	0.66
<b>Expenses Recognised in Profit &amp; Loss A/c</b>	<b>6.50</b>	4.98	<b>7.10</b>	3.95
<b>vi) Balance Sheet Reconciliation</b>				
Opening Net Liability	<b>7.67</b>	7.26	<b>9.16</b>	5.95
Expense as above	<b>6.50</b>	4.98	<b>7.10</b>	3.95
Employers Contribution	<b>(16.44)</b>	(4.57)	-	-
<b>Amount Recognised in the Balance Sheet</b>	<b>(2.27)</b>	7.67	<b>16.26</b>	9.90
<b>vii) Investment Details</b>				
L.I.C. Group Gratuity(Cash Accumulation) Policy	<b>Yes</b>	Yes	<b>NA</b>	NA
<b>viii) Actuarial Assumptions for the year</b>				
Discount rate (per annum)	<b>7.50%</b>	8.00%	<b>7.50%</b>	8.00%
Expected rate of return on plan assets (per annum)	<b>9.00%</b>	9.00%	-	-
Rate of escalation in salary (per annum)	<b>6.50%</b>	7.00%	<b>6.50%</b>	7.00%

The estimates of rate of escalation in salary considered in actuarial valuation, takes 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.

17. The Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

Signature to Schedule "A" to "T"

As per our report of even date

For and on behalf of the Board

**For V.C. Darak & Associates**  
Chartered Accountants

**Rameshwarlal Kabra**  
Chairman

**Tribhuvanprasad Kabra**  
Managing Director

**Mahendra Kumar Kabra**  
Director

**V.C. Darak**  
Proprietor  
M.No. 6307

**Vishnu Anant Mahajan**  
Director

**Mukund Chitale**  
Director

**Satyanarayan Loya**  
Director

Place : Mumbai  
Date : 12<sup>th</sup> June,2009

**Ajai Singh**  
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009**

(Rs. in Lacs)

	2008-09	2007-08
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	218.12	866.89
Adjustments for:		
Depreciation	286.40	234.61
Interest Charged	627.14	577.71
Dividend Income	(10.40)	(3.00)
Service Tax written back	9.28	0.00
Prior Period Items	(0.34)	(0.05)
<b>Operating profit before working capital changes</b>	<b>1,130.20</b>	1,676.16
Adjustments for:		
Trade and other receivables	1,136.18	(1,081.26)
Inventories	310.37	(365.30)
Trade payables	139.99	29.78
Bad debts Recovery	0.00	0.00
<b>Cash generation from operations</b>	<b>2,716.74</b>	259.38
Interest paid	(636.60)	(585.51)
Direct taxes (Paid)/Refund	(158.86)	(200.34)
Dividend Paid (Inclusive of dividend tax)	(193.04)	(83.10)
<b>Net cash from operating activities (A)</b>	<b>1,728.24</b>	(609.57)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	(782.27)	(624.03)
Sale of assets	9.00	6.90
Dividend Income	10.40	3.00
Loans and advances	(141.06)	4.81
Interest received	9.46	5.44
<b>Net cash used in investing activities (B)</b>	<b>(894.47)</b>	(603.88)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from share capital	0.00	153.00
Proceeds from Premium on shares	0.00	673.20
Proceeds from long term borrowing	(830.88)	494.93
<b>Net cash used in financing activities (C)</b>	<b>(830.88)</b>	1,321.13
<b>Net increase in cash and equivalents (A)+(B)+(C)</b>	<b>2.89</b>	107.68
<b>Cash and cash equivalents as at 1st April,</b>	<b>149.03</b>	41.36
<b>Cash and cash equivalents as at 31st March,</b>	<b>151.92</b>	149.04
	<b>2.89</b>	107.68

Note : i) Figures in brackets represent cash outflows.  
ii) Previous year figures have been regrouped wherever considered necessary.

As per our report of even date

For and on behalf of the Board

**For V.C. Darak & Associates**

Chartered Accountants

**Rameshwarlal Kabra**  
Chairman

**Tribhuvanprasad Kabra**  
Managing Director

**Mahendra Kumar Kabra**  
Director

**V.C. Darak**

Proprietor  
M.No. 6307

**Vishnu Anant Mahajan**  
Director

**Mukund Chitale**  
Director

**Satyanarayan Loya**  
Director

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Ajai Singh**  
Director

**ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE TO THE COMPANIES ACT, 1956**

**Balance Sheet Abstract And Company's General Business Profile**

**I. Registration Details**

Registration No.	L	3	1	3	0	0	M	H	1	9	9	2	P	L	C	0	6	7	8	0	2
Balance Sheet Date	3	1	-	0	3	-	2	0	0	9	State Code		1	1							

**II. Capital Raised during the year: (Amount in Rs. Thousands)**

Public Issue				N	I	L	Right Issue				N	I	L
Bonus Issue				N	I	L	Private Placement				N	I	L

**III. Position of Mobilisation and Deployment of funds: (Amount in Rs. Thousands)**

Total Liabilities	7	7	1	9	4	4	Total Assets	7	7	1	9	4	4	
<b>Sources of funds</b>							<b>Application of Funds</b>							
Paid up Capital	1	1	0	0	0	0	Net Fixed Assets	3	0	2	5	6	3	
Reserves & Surplus	1	7	4	9	4	3	Investments			4	0	0	0	
Secured Loans	3	8	2	4	2	3	Net Current Assets	4	6	5	3	8	1	
Unsecured Loans			7	4	2	8	8	Miscellaneous Expenditure				N	I	L
Deferred Tax Liability			3	0	2	9	0	Profit and Loss Account				N	I	L

**IV. Performance of the Company: (Amount in Rs. Thousands)**

Turnover	3	0	3	5	3	4	7	Total Expenditure	3	0	1	5	8	9	2
Profit/(Loss) Before Tax			2	2	1	2	9	Profit/(Loss) After Tax			1	3	7	1	0
Earning Per Share in Rs.			1	.	2	5	Dividend Rate %			7	.	5	0		

**V. Generic Names of Principal Products of the Company**

Item Code No.	8	5	4	4	1	1	0	1	Item Code No.	7	4	0	8	1	9	0	9
Product Description	Enamelled Copper Wire							Product Description	Copper Wire								

As per our report of even date

For and on behalf of the Board

**For V.C. Darak & Associates**  
Chartered Accountants

**Rameshwarlal Kabra**  
Chairman

**Tribhuvanprasad Kabra**  
Managing Director

**Mahendra Kumar Kabra**  
Director

**V.C. Darak**  
Proprietor  
M.No. 6307

**Vishnu Anant Mahajan**  
Director

**Mukund Chitale**  
Director

**Satyanarayan Loya**  
Director

Place : Mumbai  
Date : 12<sup>th</sup> June, 2009

**Ajai Singh**  
Director

## ATTENDANCE SLIP

Please fill in Attendance Slip and hand it over at the entrance of the meeting hall. Joint Shareholders may obtain additional Attendance Slips on request. Please bring your copy of the Annual Report for reference at the Meeting.

**NAME AND ADDRESS OF THE SHAREHOLDER**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Folio No. \_\_\_\_\_  
DP ID. \_\_\_\_\_  
Client ID. \_\_\_\_\_  
No. of Shares held \_\_\_\_\_

I hereby record my presence at the **17<sup>th</sup> ANNUAL GENERAL MEETING** of the Company to be held at Maheshwari Bhavan, Plot No. R - 14&15, Oshiwara, New Link Road Ext., Opp. Tarapur Garden, Andheri (West), Mumbai - 400 053 on Tuesday, 1<sup>st</sup> September, 2009 at 4:30 p.m.

SIGNATURE OF THE SHAREHOLDER/PROXY \* \_\_\_\_\_

\* Strike out whichever is not applicable

--- TEAR HERE ---

## PROXY FORM

Folio No. \_\_\_\_\_  
DP ID. \_\_\_\_\_  
Client ID. \_\_\_\_\_  
No. of Shares held \_\_\_\_\_

I/We, \_\_\_\_\_ of \_\_\_\_\_ being a member / members of **Ram Ratna Wires Limited** hereby appoint \_\_\_\_\_ or failing him / her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the **17<sup>th</sup> ANNUAL GENERAL MEETING** of the Company to be held on Tuesday, 1<sup>st</sup> September, 2009 at 4:30 p.m. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009.

Affix  
Revenue  
Stamp  
Rs. 1/-

NOTES : The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.  
The Proxy need not be a member of the Company.

