

Twenty Third Annual Report
2010-2011



FINANCIAL HIGHLIGHTS							
₹ in Crores							
S.N.	Year	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
1	Sales	175.51	158.92	161.49	120.88	109.25	113.07
2	Gross Profit (Before Depreciation And Tax)	15.53	17.13	11.85	4.76	7.83	10.97
3	Depreciation	3.34	3.13	3.05	2.92	2.75	2.27
4	Profit Before Taxation	12.19	14.00	8.80	1.83	5.07	8.70
5	Current Taxation	3.84	4.93	2.97	0.21	0.65	1.54
6	Deferred Taxation	0.29	0.03	0.09	0.41	1.04	1.16
7	Fringe Benefit Tax	0.00	0.00	0.02	0.02	0.03	0.04
8	Profit After Taxation	8.06	9.09	5.73	1.24	3.29	5.96
9	Dividend	0.65	0.65	0.43	0.43	0.43	0.87
10	Gross Fixed Assets	69.63	64.23	61.48	60.97	59.32	52.47
11	Net Fixed Assets	46.14	43.96	44.09	46.38	47.23	42.43
12	Investments	23.90	17.84	16.93	14.56	5.65	0.20
13	Net Current Assets / (Liabilities)	47.45	44.27	39.39	35.38	35.78	26.51
14	Net Assets	117.49	106.07	100.40	96.33	88.66	69.14
15	Share Capital	4.35	4.35	4.35	4.35	4.35	4.35
16	Reserves & Surplus	54.20	46.91	38.58	33.36	32.63	29.85
17	Net Worth	58.55	51.26	42.93	37.71	36.98	34.20
18	Loan Funds	50.25	46.41	49.10	50.37	43.88	28.22
19	Deferred Tax Liability	8.69	8.39	8.36	8.26	7.85	6.81
20	Earning Per Share	18.51	20.89	13.16	2.85	7.57	13.70
21	Dividend Per Share	1.50	1.50	1.00	1.00	1.00	2.00
22	Book Value Per Share	134.55	117.80	98.66	86.65	85.00	78.62

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RAJRATAN GLOBAL WIRE LTD.

BOARD OF DIRECTORS

Mr. Chandanmal Chordia*	Chairman
Mr. Sunil Chordia	Managing Director
Mr. Mofatraj Munot	Director
Mr. S.S. Mehta	Director
Mr. P.D. Nagar	Director
Mr. Abhishek Dalmia	Director
Mr. Chandrashekhar Bobra	Director
Mrs. Sangita Chordia**	Director
Mr. Deepesh Trivedi	C.O.O & Executive Director

* Resigned on 5th May, 2010

**Appointed on 5th May, 2010

COMPANY SECRETARY

Mr. Vineet Chopra

BANKERS

State Bank of India
Commercial Branch, Indore

IDBI Bank Ltd.
Alankar Chambers, Indore

AUDITORS

M/s. Fadnis & Gupte
Chartered Accountants, Indore

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L B S Marg
Mumbai – 400078 Ph: 022-25946970

REGISTERED OFFICE

RAJRATAN HOUSE
11/2, Meera Path, Dhenu Market,
Indore – 452 003 (M.P.) INDIA
Phone: 0731 – 2546401, 3928171, Fax: 0731-2542534
Website: www.rgwl.co.in

PLANT

Plot No. 200 –A & B, Sector I,
Industrial Area, Pithampur
District Dhar (M.P.) INDIA
Phone : 07292 –253375, 252904
Fax : 07292-253357

RAJRATAN THAI WIRE CO., LTD.

DIRECTORS

Mr. Sunil Chordia	Director
Mr. P.D. Nagar	Director
Mr. Abhishek Dalmia	Director
Mr. Ghanshyam Rathi@	Director
Mr. Mukesh Kumar Verma#	Whole Time Director

* C.O.O. & Whole Time Director till 25 July 2010.

Appointed on 19th July 2010.

BANKERS

ICICI Bank Ltd
9, Raffles Place, Singapore

Bank of Ayudhya Public Company Limited
Siyaek Asoke Branch, Bangkok Thailand

United Overseas Bank (Thai) Public Company Limited
191, South Sathon Road, Bangkok 10120

AUDITORS

Mr. Phichat Phruksarojanakun
Bl, Auditing Group Co., Ltd. Thailand

REGISTERED OFFICE & PLANT

155/11 Moo 4, Tambol: Chetsamian
Ampor: Potharam, Ratchaburi 70120
THAILAND
Phone : +6632375841
Fax : +6632375840

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of the Company will be held on Monday, the 25th July 2011 at 10.00 a.m. at the registered office at 11/2, Meera Path, Dhenu Market, Indore, Madhya Pradesh – 452 003 to transact the following:

ORDINARY BUSINESS:

1. To consider, approve and adopt the Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the year ended on that date together with the Reports of Directors and the Auditors thereon.
2. To consider declaration of dividend on equity shares.
3. To appoint a director in place of Mr. S.S. Mehta, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. Abhishek Dalmia, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s Fadnis & Gupte, Chartered Accountants, as Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

II. SPECIAL BUSINESS:

6. Revision of Remuneration of Mr. Sunil Chordia, Managing Director

To consider and if thought fit to pass with or without modification(s), if any, the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT in partial modification of Resolution no. 6 passed at the Annual General Meeting of the Company held on 4th August, 2010 and pursuant to provisions of Sections 198, 269, 302, 309, 310, 311 read with provisions of Schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, (including any statutory modifications or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, approval of members be and is hereby accorded for revision and increase in the remuneration of Mr. Sunil Chordia, the Managing Director of the Company w.e.f. 1st April 2011 for the remaining tenure of his appointment as under:

- a) Basic Salary: ₹ 4,00,000 per month.
- b) Leave Travel Allowance: Reimbursement once in a year subject to maximum of ₹ 2,40,000.
- c) Medical Allowance (for self & family): Reimbursement subject to maximum of ₹ 2,40,000 p.a.
- d) Gratuity payment computed at half a month's salary for each completed year of service.
- e) Payment of club fees including life membership fees.
- f) Free mobile phone and telephone facility at residence.
- g) Free use of car.

Note: Sitting fees will not be paid for attending the meetings of the Board of Directors or Committee thereof.

RESOLVED FURTHER THAT Mr. Sunil Chordia, Managing Director of the Company shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the business of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion may consider necessary, expedient and desirable and to vary, modify the terms and conditions and to settle any question or doubt that may arise in relation thereto and to decide breakup of the remuneration within the above said maximum permissible limit.”

7. Revision of Remuneration of Mr. Deepesh Trivedi, the Executive Director

To consider and if thought fit to pass with or without

modification(s), if any, the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT in partial modification of Resolution no. 8 passed at the Annual General Meeting of the Company held on 4th August, 2010 and pursuant to the provisions of Sections 198, 269, 302, 309, 310, 311 read with provisions of Schedule XIII to the Companies Act, 1956 and other applicable provisions, if any, (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the approval of members and such approvals as may be necessary, approval of the Board be and is hereby accorded for the revision and increase in remuneration of Mr. Deepesh Trivedi, the Executive Director of the Company w.e.f. 1st April 2011 for the remaining tenure of his appointment as under.

- a) Basic Salary: ₹ 2,45,000 per month.
- b) Leave Travel Allowance: Reimbursement once in a year not exceeding ₹ 90,000 per annum.
- c) Medical Reimbursement not exceeding ₹ 30,000 per annum.
- d) Performance Award: As per rules of the Company subject to maximum 30% of the basic Salary.
- e) Free use of mobile phone and car for official purpose only.
- f) Gratuity payment computed at half a month's salary for each completed year of service.
- g) Company's contribution to Provident Fund to the extent not taxable in Income Tax Act.

Note: Sitting fees will not be paid for attending the meetings of the Board of Directors or Committee thereof.

By Order of the Board

SUNIL CHORDIA

MANAGING DIRECTOR

Indore

Dated: 11th May 2011

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY AND THE PROXY IN ORDER TO BE VALID MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE, NOT LESS THAN 48 HOURS BEFORE THE TIME FOR THE MEETING.
2. The Explanatory statement in respect of item no. 6 & 7 is annexed hereto.
3. The Register of Members and the share transfer book of the Company will remain closed from the 6th July 2011 to 15th July 2011 (both days inclusive) for payment of dividend on equity shares. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as per the details furnished by the respective depositories for this purpose.
4. The dividend, if declared at the meeting will be paid on or after 25th July, 2011.
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during working hours on all days except Saturdays, Sundays and holidays until the date of the Annual General Meeting or any adjournment thereof.
6. The additional information pursuant to clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking election is furnished herewith.
7. With a view to providing protection against fraudulent encashment of dividend warrants, Members holding shares in physical form are requested to provide, if not already provided earlier, their bank account number, name and address of the bank branch to the Company's Registrars & Transfer Agents, M/s. Link Intime India Private Limited, in the format attached herewith, quoting their folio numbers to enable the Company to incorporate the said details on the

dividend warrants. Members will appreciate that the Company will not be responsible for any loss arising out of fraudulent encashment of the dividend warrants.

8. Members are requested to notify any change in their address/Bank Mandate to the Company's Registrars & Transfer Agents, M/s. Link Intime India Private Limited, and in case their shares are held in Demat form, this information should be sent to the Depository Participant with whom they hold their account.
9. Members are entitled to make nomination in respect of shares held by them. Members desirous of making nominations are requested to send Form No. 2B duly filled in and signed by them to the Company's Registrars & Transfer Agents in case the shares are held in physical form and to the Depository Participants in case the shares are held in electronic form.
10. Those members who have not received/encashed dividend warrants for the financial years 2004-05 and onwards may return the time barred dividend warrants or write to the Company for the issue of duplicate dividend warrants. It may kindly be noted that once the unpaid/unclaimed dividend is transferred to the Central Government, no claim shall lie in respect thereof.
11. Members desirous to seek any information on the annual accounts at the meeting are requested to send their queries in writing to the Company Secretary at the registered office at least seven days before the date of the meeting in order to keep the desired information available.
12. Members are requested to bring their copy of the Annual Report at the Meeting.

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

ITEM NO. 6

The Board is of the view that having regard to the whole time devotion of Mr. Sunil Chordia, the Managing Director towards the Company his remuneration should be revised to increase sufficiently.

The existing remuneration of Mr. Sunil Chordia was sanctioned by the members, at the Annual General Meeting held on 4th August, 2010 which is proposed to be increased from ₹ 3,64,000/- p.m. (including allowances) to ₹ 4,00,000/- p.m. (other than perks).

The proposed revised remuneration as set out in the resolution has been approved by the Remuneration Committee and Board of Directors at their meetings held on 4th May 2011 and 11th May 2011 respectively. In terms of the provisions of the Companies Act, 1956, approval of the members is being sought to revise and increase the remuneration by way of **SPECIAL RESOLUTION**.

None of the Directors other than Mr. Sunil Chordia and Mrs. Sangita Chordia is concerned or interested in this resolution.

The explanatory statement may be treated as an abstract under section 302 of the Companies Act, 1956.

ITEM NO. 7

In view of vast experience and whole time devotion of Mr. Deepesh Trivedi, the Board of Directors is of the view that the remuneration of Mr. Deepesh Trivedi should be sufficiently increased and revised.

The proposed revised remuneration as set out in the resolution has been approved by the Remuneration Committee and Board of Directors at their meetings held on 4th May 2011 and 11th May 2011 respectively.

Existing remuneration including allowances of Mr. Deepesh Trivedi is ₹ 2,23,000/- p.m. (other than perks) is proposed to be increased to ₹ 2,45,000/- p.m. (other than perks and performance award).

In terms of provisions of section 198, 269, 309, 310 and Schedule XIII to the Companies Act, 1956 the approval of the members is being sought to confirm revision in remuneration of Mr. Deepesh Trivedi as set out in the resolutions. He is not related to any of the directors of the Company.

Directors recommend passing of the resolutions as **SPECIAL RESOLUTION**.

None of the Director other than Mr. Deepesh Trivedi is concerned or interested in this resolution.

The Explanatory Statement is and may be treated as an abstract under section 302 of the Companies Act, 1956.

Indore

Dated: 11th May 2011

By Order of the Board

SUNIL CHORDIA

MANAGING DIRECTOR

ANNEXURE TO THE NOTICE

Additional information pursuant to Clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors appointed/re-appointed, seeking re-election, revision of remuneration under item nos. 3, 4, 6 and 7

S.No.	Name & Designation of appointee	Qualifications	Age in years	Experience in Yrs.	Date of Appointment	Other Directorships [*]
1.	Mr. S.S. Mehta	B.E., M.B.A.	57	32	10.07.2003	1. Kriti Industries Ltd. 2. Kriti Nutrients Ltd.
2.	Mr. Abhishek Dalmia	B.Com. (Hons.), FCA, ACWA	42	19	11.06.2005	1. Utkal Investments Ltd. 2. Revathi Equipment Ltd. 3. Ashiana Housing Ltd. 4. Shogun Organics Ltd. 5. Renaissance Stocks Ltd. 6. Revathi Drilling and Mining Ltd.
3.	Mr. Sunil Chordia	B.Sc., DCMA, MBA	48	26	09.09.1988	Rajratan Investments Limited Swaraj Technocrafts Pvt. Ltd.
4.	Mr. Deepesh Trivedi	B.E. (Mech.), PGM	56	31	21.01.2008	NIL

Shareholding details -

Mr. S.S. Mehta do not hold any shares of the Company on 31st March 2011

Mr. Abhishek Dalmia do not hold any shares in the Company on 31st March 2011

*[Excluding Private and Foreign companies but including private companies which are subsidiaries of Public Company.]

DIRECTORS' REPORT

To

The Members,

The Directors hereby present their Twenty Third Annual Report on the business and operations of the Company and the consolidated and standalone financial accounts for the financial year ended on 31st March, 2011.

FINANCIAL RESULTS:

	₹ In Lacs)	
	2010-11	2009-10
Profit before Depreciation, Interest and Tax	2156.77	2216.46
Interest and Financial Charges	603.63	502.74
Profit before Depreciation	1553.14	1713.72
Less: Depreciation	334.12	312.85
Profit before Taxation	1219.02	1400.87
Less: Provision for Taxation		
- Current Tax	384.13	493.43
- Deferred Tax	29.30	3.10
Prior Period Expenditure / (Income)	--	(4.84)
Profit After Tax	805.59	909.18
Add: Surplus of Previous Year	436.29	103.47
Amount available for appropriation	1241.88	1012.66
APPROPRIATION		
Proposed Dividend	65.28	65.28
Dividend Tax	11.09	11.09
Transfer to General Reserve	100.00	500.00
Balance carried to Balance Sheet	1065.51	436.29

PERFORMANCE HIGHLIGHTS:

Your Company has registered an increase of 9% in net sales to ₹ 161 Crores as against ₹ 148 Crores in previous year. The Company's operations remained profitable though at a lower level than the previous year due to increase in prices of wire rod (which could not be fully passed on to customers) coupled with higher finance cost resulted in decrease in PBT to ₹ 12.19 Crores as compared to ₹ 14.01 Crores in previous year.

PROSPECTS AND OUTLOOK:

The Indian economy has sustained higher growth trend so far. All demand drivers for tyre industry viz. automobile industry, road infrastructure development, growing economy and increasing exports are showing the strong growth trends. Therefore your Company anticipates better demand and targets a growth of 25% in FY 2011-12. However, rising raw material cost, fuel prices and hardening interest cost continue to remain a cause of concern. To mitigate this, the Company has planned several corrective measures viz. superior product mix, increasing volumes, improve productivity, product quality and ensuring overall operational efficiencies.

SUBSIDIARY COMPANIES:

a) Rajratan Thai Wire Co. Limited, Thailand (RTWL) recorded growth of 37% in sales volume i.e. 12752 MT as compared to 9267 MT previous year. Net Sales stood at ₹ 54 Crores as compared to ₹ 36 Crores in previous year. However, due to weak demand, global competition and delays in getting approvals from prime customers has adversely affected the margins. Net loss stood at ₹ 1.55 Crores as compared to ₹ 2.62 Crores previous year. To meet increased capital requirement, the company further subscribed a sum of ₹ 5,71,41,677/- to equity share capital of wholly owned subsidiary during the year.

RTWL is working hard to get approvals of the major tyre companies that will significantly improve the performance and company is targeting a growth of 50% in F.Y. 2011-12.

b) During the year, the Company has acquired additional 31,500 fully paid equity shares of Swaraj Technocrafts Pvt. Ltd. (STPL)

representing 18% of the equity share capital of STPL, consequently, its shareholding in STPL stands at 68% and it has become a Subsidiary Company.

SUBSIDIARY COMPANY'S ACCOUNTS:

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company and required information in respect of subsidiaries have been disclosed in the consolidated balance sheet. The Company will make available the annual accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the registered office of the Company. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary companies.

DIVIDEND:

Directors are pleased to recommend a dividend of ₹ 1.5 per equity share (15%) of ₹ 10/- each (previous year ₹ 1.50 per share of ₹ 10/- each) for the year ended 31st March, 2011. The dividend will be declared in the ensuing Annual General Meeting based on approval by the Shareholders.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. S.S. Mehta and Mr. Abhishek Dalmia retires by rotation and are eligible for re-appointment.

AUDITORS:

M/s. Fadnis & Gupte, Chartered Accountants, Indore, the Statutory Auditors, are retiring at the conclusion of twenty third Annual General Meeting. The Auditors has furnished a Certificate as required under Section 224(1B) of the Companies Act, 1956 and has consented to continue to act as auditors of the company for the current year, if re-appointed.

AUDITORS REPORT:

Report of the Auditors and their observations and notes to the accounts of the Company for the year under review are attached herewith which are self-explanatory and does not require further explanation.

FIXED DEPOSITS:

The Company has not accepted any deposit during the year from the public and has no public deposits outstanding as on 31st March 2011.

LISTING:

The shares of the Company are listed on the Bombay Stock Exchange Limited, and the Company is regular in payment of the listing fees. There was no suspension of trading during the year under review.

INDUSTRIAL RELATIONS:

Your Directors are pleased to report that the relations with the employees and workers are continued to be cordial during the year under review.

PARTICULARS OF THE EMPLOYEES:

None of the employee of the company draws salary more than the limits prescribed in section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules 1975.

CORPORATE GOVERNANCE:

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the stipulations set out in the Listing Agreement with Stock Exchange.

A report on Corporate Governance as stipulated under clause 49 of the Listing Agreement with the stock exchange form part of the Annual Report.

Certificate from the Auditors of the Company, M/s Fadnis & Gupte confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Report.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby conformed that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departure from the same.
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011.
- iii. that the directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the directors have prepared the annual accounts on a 'going concern' basis.

PERSONNEL:

Your Company has been able to operate efficiently because of a culture of professionalism, integrity and continuous improvement in

all functions and areas to ensure efficient utilization of the Company's resources for sustainable and profitable growth.

During the year measures for training, development, safety of the employees and environmental awareness received top priority of Management. The Directors wish to place on record their appreciation of the efficient and loyal services rendered by all staff and work force of the Company, without whose wholehearted effort, the satisfactory performance would not have been possible.

ACKNOWLEDGEMENT:

Your Directors place on record their gratitude to the Company's esteemed shareholders, customers, suppliers, associates, financial institutions, bankers, and the state and central government for their assistance, co-operation and encouragement they extended to the Company. The Directors also placed on record their sincere appreciation to the employees for their continuing support and unstinting efforts in ensuring the heights of success. We look forward to their continued support in the future.

For and on behalf of the Board

Place: Indore

SUNIL CHORDIA

Dated: 11th May 2011

MANAGING DIRECTOR

ANNEXURE TO THE REPORT OF THE BOARD OF DIRECTORS

Particulars required by the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 and forming part of the Report of the Board of Directors for the Financial Year 2010-11.

A PARTICULARS OF CONSERVATION OF ENERGY AND FOREIGN EXCHANGE EARNING AND OUTGO

The Company is employing indigenous technology for its operations. Constant watch is kept on the consumption of energy & fuel to effect economy wherever possible. The details regarding consumption of energy are given below:

Power and Fuel Consumed	<u>2010-11</u>	<u>2009-10</u>
1. ELECTRICITY:		
(a) Unit Consumed: (KWH)		
Purchased from MPEB	13433064	12571640
Generation through Wind Mill (Transfer to Grid)	2595488	2732648
Total Units	<u>16028552</u>	<u>15304288</u>
Total Amount	74410726	67316417
Rate/Unit	4.64	4.40
2. L.P.G/PROPANE/RLNG		
Quantity (Kgs)	1786303	1705168
Total Amount	35162030	35538185
Average Rate (Per Kg)	19.68	20.84
3. DIESEL/SKO/LDO:		
Quantity (Ltrs)	10000	8600
Total Amount	409158	303274
Average Rate	40.92	35.26
Consumption per Unit of production		
Electricity (Units)	543	524
L.P.G/RLNG (Kgs)	61	58

The Company has incurred the following expenses in foreign currency:

- On foreign travels ₹ 3,68,295 (₹ 4,13,531), on Advertisement ₹ NIL (₹ 72,709), on capital goods ₹ 13,77,971 (16,37,272), on import of raw material ₹ 86,55,271 (₹ 12,58,13,935), Testing Fees ₹ 34,642 (23,614/-), Technical Consultancy ₹ 3,34,351 (50,809) Components and Spare Parts ₹ NIL (82,482), Trading goods 4,43,76,242 (NIL).
- The F.O.B. value of exports (including deemed F.O.B. Value) during the year was ₹ 12,15,84,551 (9,89,39,569/-) F.O.B. Value of Export Trading 3,47,72,956.
- Remittance in Foreign Currency: Investment in Rajratan Thai Wire Co. Ltd. ₹ 4,10,14,250 (94,29,913/-), Loan to Rajratan Thai Wire Co. Ltd. - NIL (1,92,63,754).

B. TECHNOLOGY ABSORPTION:

RESEARCH AND DEVELOPMENT (R&D):

1. Specific areas in which R & D activities carried out by the company were:

- a) RO reject water used in Quench Tank.
- b) Rinse-1 Water & Curtain-1 water routed through setting tank, This has improved the cooling efficiency of quenching and also reduction in water consumption.
- c) Shifted the cumar tank forward by 1.5 meters.
- d) Centralized air compressor system installed.

2. Benefits derived as a result of above R&D:

- a) Improved cooling efficiency of quenching and also reduction in water consumption.
- b) Reduction of process deviations.
- c) Uniform air pressure throughout the plant.

3. Future plan of action : To establish wet drawing process.

4. Expenditure on R& D:

- Capital	2,13,818
- Recurring	3,22,382
- Total	5,36,200
- Total R & D Expenditure (%)	0.031
(as a percentage of total turnover)	

TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION

1. Efforts in brief made towards Technology Absorption, Adoption & Innovation:

- a. Installed HCL fume detector in the shop floor to measure the fume level in the atmosphere. It will give buzzer if the fume level exceeds 2 PPM so that necessary action can be taken
- b. Power factor panel installed to reduce power-losses.
- c. Conversion of DC motor in to AC to reduce power consumed in Finish Wire Drawing Machine (F4).
- d. Up-gradation of existing ETP and installation a new STP.
- e. Removed encoder from FWD machine.

2. Benefits derived as a result of above efforts:

- a. To help in monitoring and controlling HCL fumes in the plant.
- b. Reduction in power loss.
- c. Absorption of new technology which resulted in less power consumption and more productivity (Under progress)
- d. A step towards better Environment, Health and Safety.
- e. Reduction in cost and Break Down.

Indore

Dated: 11th May 2011

For and on behalf of the board

SUNIL CHORDIA

MANAGING DIRECTOR

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement)

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company reaffirms its commitment to the good corporate governance practices. The foundation on which the structure of Corporate Governance rests is in the "Theory of Trusteeship". The shareholder, while placing their capital in the hands of Board of Directors, puts them in fiduciary capacity. Trustees, in turn, are required to run the business with Transparency, Full Disclosure, Fairness to all and Independent Monitoring and Supervision, which enable the Company to perform efficiently and maximize long-term value for the Shareholders. This is the essence of good Corporate Governance. It also puts in place and enhances the trust of Creditors, Employees, Suppliers, Customers and Public at large. At Rajratan Global Wire Ltd, it is also considered as a business necessity. It has ensured-

- A strong team of non-executive and independent Directors.
- Capable and result oriented management team.
- Due importance to compliance of laws, rules and regulations.
- Clear statement of Board processes and Board executive linkages.
- Disclosure, accountability, transparency, adequate systems and procedures to monitor the state of affairs of the Company to enable the Board to effectively discharge its responsibilities to the stakeholders of the Company.
- Identification and management of key risks to delivery of performance of the Company.

2. BOARD OF DIRECTORS

The Company functions under the supervision and control of the Board of Directors ('the Board'). The Board formulates the overall strategy and periodically reviews the implementation of the same.

The Board comprises of a fair number of independent, professionally competent and acclaimed non-executive Directors.

Constitution of the Board as on 31st March, 2011 and related information

Name of Director	Category	No. of Board Meetings attended	Attendance at last AGM	No. of outside Directorships*
Mr. Sunil Chordia	Managing Director	5	YES	2
Mr. P.D. Nagar	Non Executive & Independent	5	YES	2
Mr. S. S. Mehta	Non Executive & Independent	2	YES	2
Mr. Mofatraj Munot	Non Executive & Independent	0	NO	10
Mr. Abhishek Dalmia	Non Executive	2	YES	6
Mr. Chandrashekhar Bobra	Non Executive & Independent	3	YES	NIL
Mr. Deepesh Trivedi	Executive Director	5	YES	NIL
Mrs. Sangita Chordia	Non Executive	3	YES	1

* Excluding private company and foreign company but including private companies which are subsidiaries of Public Company.

None of the Directors on the Board holds the office of Director in more than 15 companies or memberships of committees of the Board in more than 10 companies or Chairmanship of more than 5 committees across all companies.

Board Meetings held during the year

Five Board Meetings were held during the year 2010-11 on 5th May 2010, 4th August, 2010, 21st October 2010, 9th December, 2010 and 24th January 2011.

3. AUDIT COMMITTEE**(a) Terms of reference**

- i. To investigate any activity within its term of reference
- ii. To seek information from any employees
- iii. To obtain outside legal or other professional advice
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary
- v. To review with the Management the annual/half-yearly/quarterly financial statements
- vi. To review the Company's financial and risk management policies and the adequacy of internal control systems.
- vii. To hold separate discussions with Head-Internal Audit, Statutory Auditors and among members of the Audit Committee to ensure whether the financial statements are fairly presented in conformity with the Accounting Standards issued by ICAI.
- viii. To consider appointment/reappointment/replacement of statutory auditor and fixation of audit fee and fee for any other services rendered by statutory auditor.

(b) Composition, names of members and chairperson

S.No.	Name	Category
1.	Mr. Chandrashekhar Bobra, Chairman	Independent, Non-Executive
2.	Mr. S. S. Mehta	Independent, Non-Executive
3.	Mr. P. D. Nagar	Independent, Non-Executive

The Internal Auditors of the Company and the Managing Director are invitees to the meetings and the Company Secretary is the Secretary to the Committee.

(c) Meetings and attendance during the year

Four meetings were held during the financial year 2010-2011. The attendance of each member of the committee is as under:

Name of Director	No. of Meetings attended
Mr. Chandrashekhar Bobra	4
Mr. S. S. Mehta	1
Mr. P. D. Nagar	4

4. REMUNERATION COMMITTEE

a. Terms of Reference

The Remuneration Committee recommends remunerations, promotions, increments etc. for the Managing Director and Executive Directors to the Board for approval.

b. Composition, names of members and chairperson

S.No.	Name	Category
1.	Mr. P. D. Nagar, Chairman	Independent, Non-Executive
2.	Mr. S. S. Mehta	Independent, Non-Executive
3.	Mr. Mofatraj Munot	Independent, Non-Executive

One meeting was held during the year 2010-11

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees, which is paid at the rate of Rs. 2,500/- for each meeting of the Board and the Audit Committee. The details of remuneration paid to the executive directors during 2010-11 are as under:

S.No.	Name and Designation	Tenure of appointment	Remuneration	Perquisites & Allowances
1.	Mr. Sunil Chordia - Managing Director	01.04.2009 to 31.03.2012	32,40,000/-	15,60,000/-
2.	Mr. Deepesh Trivedi - C.O.O. & Executive Director	21.01.2011 to 20.01.2014	14,40,000/-	17,39,713/-

Note: The Company has not issued any stock options to any of the directors. Severance fees-The contract may be terminated by either party giving the other party three month's notice or the Company paying three month's salary in lieu thereof.

5. SHARE TRANSFER & SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

(a) Terms of reference

The Company's shares continue to be listed on in the 'B' Group on the Bombay Stock Exchange Limited and the trading in the equity shares of the Company is mandatory in dematerialized form. In accordance with Clause 49 of the Listing Agreement a Shareholders/Investors Grievance Committee has been constituted by the Board for the redressal of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.