

Twenty Fourth Annual Report
2011-2012



FINANCIAL HIGHLIGHTS							
₹ in Crores							
S.N.	Year	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
1	Sales	199.70	176.03	158.92	161.49	120.88	109.25
2	Gross Profit (Before Depreciation And Tax)	12.30	15.53	17.13	11.85	4.76	7.83
3	Depreciation	3.58	3.34	3.13	3.05	2.92	2.75
4	Profit Before Taxation	8.72	12.19	14.00	8.80	1.83	5.07
5	Current Taxation	2.52	3.84	4.93	2.97	0.21	0.65
6	Deferred Taxation	0.27	0.29	0.03	0.09	0.41	1.04
7	Fringe Benefit Tax	0.00	0.00	0.00	0.02	0.02	0.03
8	Profit After Taxation	5.93	8.06	9.09	5.73	1.24	3.29
9	Dividend	0.52	0.65	0.65	0.43	0.43	0.43
10	Gross Fixed Assets	74.71	69.60	64.23	61.48	60.97	59.32
11	Net Fixed Assets	47.75	46.11	43.96	44.09	46.38	47.23
12	Investments	23.90	23.90	17.84	16.93	14.56	5.65
13	Non Current Assets	7.14	0.87	0.00	0.00	0.00	0.00
14	Net Current Assets /(Liabilities)	56.38	46.49	44.27	39.39	35.38	35.78
15	Net Assets	135.17	117.37	106.07	100.40	96.33	88.66
16	Share Capital	4.35	4.35	4.35	4.35	4.35	4.35
17	Reserves & Surplus	59.52	54.20	46.91	38.58	33.36	32.63
18	Net Worth	63.87	58.55	51.26	42.93	37.71	36.98
19	Loan Funds	62.35	50.14	46.41	49.10	50.37	43.88
20	Deferred Tax Liability	8.95	8.68	8.39	8.36	8.26	7.85
21	Earning Per Share	13.63	18.51	20.89	13.16	2.85	7.57
22	Dividend Per Share	1.20	1.50	1.50	1.00	1.00	1.00
23	Book Value Per Share	146.78	134.55	117.80	98.66	86.65	85.00

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RAJRATAN GLOBAL WIRE LTD.

BOARD OF DIRECTORS

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
Mr. Surendra Singh Maru**	Director
Mrs. Sangita Chordia***	Whole Time Director
Mr. Deepesh Trivedi	C.O.O & Executive Director

* Resigned on 22nd October, 2011

**Appointed on 28th May, 2012

***Appointed on 1st July, 2011

COMPANY SECRETARY

Ms. Jaya Gurnani

BANKERS

State Bank of India
Commercial Branch, Indore

IDBI Bank Ltd.
Old Palasia, Indore

AUDITORS

M/s. Fadnis & Gupte
Chartered Accountants, Indore

REGISTRAR & 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
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

BANKERS

ICICI Bank Ltd. Singapore Branch
9, Raffles Place, Singapore

Bank of Ayudhya Public Company Limited
1222 Rama III Road,
Bang Phongphang, Yan Nawa,
Bangkok 10120 Thailand

United Overseas Bank (Thai) Public Company Ltd.
Head Office :
191, South Sathon Road, Bangkok 10120

AUDITORS

Mr. Pichat Phruksarojanakun
Bl, Auditing Group Co., Ltd. Thailand
55/113 Moo.9 , Town Plus Kaset-Nawamin, Klong Kum,
Beung Kum ,Bangkok 10240

REGISTERED OFFICE & PLANT

155/11 Moo 4, Tambol: Chet Samein
Amphur: Potharam, Ratchaburi 70120
Thailand
Phone : +6632375841, +6632375843-844
Fax : +6632375840

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of the Company will be held on 23rd day of July 2012 at 12.30 p.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 2012 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. P.D. Nagar, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Mr. Chandrashekhar Bobra, 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. RE-APPOINTMENT OF MR. SUNIL CHORDIA AS MANAGING DIRECTOR OF THE COMPANY**

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

RESOLVED THAT in terms of 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 re-appointment of Mr. Sunil Chordia as the Managing Director of the Company for a period of three years w.e.f. 1st April 2012 on the following remuneration:

- a) Basic Salary ₹ 4,50,000 per month with an annual increment of ₹ 50,000
- b) Leave Travel Allowance: Reimbursement once in a year subject to maximum of ₹ 2,50,000
- c) Medical Allowance (for self & family): Reimbursement subject to maximum of ₹ 2,50,000
- 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 notwithstanding anything herein above stated, where in any financial year, during the tenure of Mr. Sunil Chordia as Managing Director, the Company has no profits or its profits are inadequate it may pay him remuneration by way of salary, perquisites and any other allowances not exceeding the maximum limits as prescribed under schedule XIII to the Companies Act, 1956 and as may be amended from time to time.

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;

RESOLVED FURTHER THAT all the decisions and actions taken by Mr. Sunil Chordia, as Managing Director of the Company from the date of re-appointment till the date of the Annual General Meeting be and are hereby ratified and confirmed."

7. TO CONSIDER APPOINTMENT OF MRS. SANGITA CHORDIA AS WHOLE TIME DIRECTOR OF THE COMPANY

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

"RESOLVED THAT in terms of the provisions of Section 198, 302, 309, 310 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 the appointment of Mrs. Sangita Chordia as whole time director of the Company w.e.f. 1st July 2011 for a period of three years on a monthly remuneration as under:

- a) Basic Salary: In the grade of 40000 p.m. - 10000 p.a. - till 30/06/2014.
- b) Gratuity payment computed at half a month's salary for each completed year of service.
- c) Company's contribution to Provident Fund to the extent not taxable in Income Tax Act.
- d) Free use of mobile phone and car for official purpose only.

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

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.

8. APPOINTMENT OF MR. SURENDRA SINGH MARU AS DIRECTOR

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

"RESOLVED THAT Mr. Surendra Singh Maru who was appointed by the Board as an additional director to hold office upto the date of 24th Annual General Meeting, being eligible for appointment and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director liable to retire by rotation."

By Order of the Board

SUNIL CHORDIA

MANAGING DIRECTOR

Indore

Dated: 28th May 2012

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 & 8 is annexed hereto.
3. The Register of Members and the share transfer book of the Company will remain closed from the 11th July 2012 to 20th July 2012 (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 23rd July, 2012.
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 2005-06 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 of Directors of the Company at its meeting held on 28th May, 2012 re-appointed Mr. Sunil Chordia as Managing Director for a period of three years w.e.f. 1st April, 2012 to 31st March, 2015.

The terms of appointment of Mr. Sunil Chordia was considered and approved by the remuneration committee of the Board of Directors, as per the details furnished in relevant resolution.

Under the leadership of Mr. Sunil Chordia, the Company has made rapid strides in the Tyre Bead Wire business. With his broad global perspective Company is positioning itself to become international

player. His invaluable contribution is placing the company on the industrial map of India.

The prevalent levels of remuneration in manufacturing industries, in general and steel industry, in particular, are higher. Taking into account the turnover of the Company, Mr. Sunil Chordia's academic qualification, rich experience, the increasingly key role he played in the turnaround, and comparable remuneration levels in the country, proposed remuneration is reasonable and benefits his position.

In terms of provisions of section 198, 269, 309, 310 and Schedule XIII to the Companies Act, 1956 the approval of the members of the Company is being sought to confirm re-appointment of Mr. Sunil Chordia, as Managing Director of the Company as set out in the resolution.

Directors recommend passing of the resolution as **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 is and may be treated as an abstract under section 302 of the Companies Act, 1956.

ITEM NO. 7

Mrs. Sangita Chordia, Director of the company is devoting her time in business activities of the company. Considering her educational qualification and active participation, the proposed resolution for her appointment as Whole Time Director of the Company w.e.f. 1st July, 2011 has been approved by the Remuneration Committee and Board of Directors in their meeting held on 18th July, 2011 and 25th July, 2011 respectively on the remuneration as set out in the resolution.

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 appointment of Mrs. Sangita Chordia as Whole Time Director on the remuneration as set out in the resolution.

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

None of the Directors other than Mrs. Sangita Chordia and Mr. Sunil Chordia 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.

ITEM NO. 8

Mr Surendra Singh Maru has vast knowledge and long experience at senior level in efficiently managing large industrial complexes. He has led various business turnarounds, green field projects, acquisitions in India and abroad. For last two years he was worked as an advisor with a multi-product, multi-location business group having significant turnover and profit by operating facilities in India, China, Canada, Sweden, Thailand etc.

Mr. Surendra Singh Maru was appointed as an Additional Director by the Board w. e. f. 28th May 2012 to hold office upto the date of 24th Annual General Meeting in accordance with the provisions of Section 260 of the Companies Act, 1956. The Company has received a notice in writing from a shareholder proposing his appointment as a Director liable to retire by rotation in accordance with the provisions of Section 257 of the Companies Act, 1956.

Approval of the members is being sought to appoint Mr. Surendra Singh Maru as a Director liable to retire by rotation by way of **ORDINARY RESOLUTION**.

None of the Director other than Mr. Surendra Singh Maru is concerned or interested in this resolution.

Indore

Dated: 28th May 2012

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, 6,7 and 8

S.No.	Name & Designation of appointee	Qualifications	Age in years	Experience in Yrs.	Date of Appointment	Other Directorships [*]
1.	Mr. Chandrashekhar Bobra	B.Com., M.B.A.	55	33	11.06.2005	NIL
2.	Mr. P.D. Nagar	B.Com., LLB. FCA	67	44	10.07.2003	MPSE Securities Limited
3.	Mr. Sunil Chordia	B.Sc., DCMA, MBA	49	27	09.09.1988	Rajratan Investments Limited Swaraj Technocrafts Pvt. Ltd.
4.	Mrs. Sangita Chordia	B.Com.	47	17	05.05.2010	Rajratan Investments Limited
5.	Mr. Surendra Singh Maru	M.E.	65	40	28.05.2012	NIL

Shareholding details -

Mr. P.D. Nagar holds 1500 equity shares of the Company as on 31st March, 2012

Mr. Chandrashekhar Bobra do not hold any shares in the Company as on 31st March, 2012

Mr. Surendra Singh Maru do not hold any shares in the Company as on 31st March, 2012

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

DIRECTORS' REPORT

To

The Members,

Your Directors are pleased to present their "Twenty Forth" Annual Report on the business and operations of your Company along with the standalone and consolidated financial statement for the year ended March 31, 2012.

FINANCIAL RESULTS:

	STANDALONE		CONSOLIDATED	
	2011-12	2010-11	2011-12	2010-11
(₹ In Lacs)				
Profit before Depreciation, Interest and Tax	1,999.18	2,156.77	2,392.72	2,437.18
Interest and Financial Charges	769.16	603.63	1,159.45	905.19
Profit before Depreciation	1,230.02	1,553.14	1,233.27	1,531.99
Less: Depreciation	357.70	334.12	623.29	571.42
Profit before Taxation & Exceptional Items	872.32	1,219.02	609.98	960.57
Add: Exceptional Items	---	---	---	150.04
Profit before Taxation	872.32	1,219.02	609.98	1,110.61
Less: Provision for Taxation				
- Current Tax	267.00	384.13	267.27	390.95
- Deferred Tax	26.99	29.30	27.78	31.22
Income Tax for earlier years	(14.80)	---	(14.42)	1.46
Profit After Tax	593.13	805.60	329.35	686.98
Less Minority Interest	---	---	0.14	3.89
Profit for the year	593.13	805.60	329.21	683.09
Add: Surplus of Previous Year	1,065.52	436.29	1.06	(495.01)
Amt. available for appropriation	1,658.65	1,241.89	330.27	188.08
APPROPRIATION				
Proposed Dividend	52.22	65.28	52.22	65.63
Dividend Tax	8.87	11.09	8.87	11.39
Transfer to General Reserve	100.00	100.00	100.00	110.00
Balance carried to Balance Sheet	1,497.56	1,065.52	169.18	1.06

FINANCIAL HIGHLIGHTS:

Financial year 2012 witnessed a turbulent business environment that moderated growth. The year started with optimism, but as it progressed, there were challenges with inflation, decelerating growth and hardening investment climate which adversely affected consumer sentiments. The global economic environment barely a year after recession, witnessed lower economic growth resulting primarily from Euro zone sovereign debt crises and geo-political instability.

During the year under review, your Company reported a top-line growth on standalone basis of about 13% over the previous year. This growth was driven on multiple platforms including network relationship, product innovation and quality. This year Company has also put in place a daily work management system under project "Lakshya" which has resulted in improved operational results.

During the year, the Net revenue from standalone operations of your company was 18325.54 Lacs as compared to ₹ 16163.33 Lacs in the previous year. The operating Profit before tax was 872.31 Lacs as against ₹ 1219.02 Lacs in the previous year. The main reason for decrease in current year's profits was increase in prices of wire rod, the burden of which could not be passed on to customers completely along with increased finance cost.

During the year, the Net revenue from consolidated operations of your company was 25235.90 Lacs as compared to ₹ 21987.23 Lacs in the previous year. The consolidated operating Profit before tax was 609.98 as against ₹ 1110.62 in the previous year.

PROSPECTS AND OUTLOOK:

We are happy to inform you that your Company enjoys the status of being number one supplier in terms of both quality and quantity of Bead Wire to Auto Tyre manufacturers in India, this includes the supplies from Thailand to Indian customers.

Because of strong foot hold in the Indian market which is expected to grow by 8 to 10% in the current year, your company is expected to further grow in the current year, in spite of global gloomy picture and continuous rising cost of Material, Man Power and Finance etc.

SUBSIDIARY COMPANIES:

a) **Rajratan Thai Wire Co. Limited, Thailand (RTWL)** recorded growth of 6% in sales volume i.e. 13,548 MT as compared to 12,752 MT previous year. During the year under review, RTWL reported a top-line growth about 25% over the previous year. Net Sales stood at ₹ 74 Crores as compared to ₹ 59 Crores in previous year. However, global competition and delays in getting approvals from prime customers and flood in Thailand in October 11, has adversely affected the margins. Net loss stood at ₹ 2.91 Crores as compared to ₹ 1.55 Crores previous 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. 2012-13. The major Tyre giants in world like Bridgestone, Yokohama and Sumitomo had technically approved the Company's products. The Company is supplying regularly to Sumitomo and has received trial orders from Bridgestone and Yokohama.

b) **Swaraj Technocrafts Pvt. Limited, Indore (STPL)** recorded the revenue of ₹ 433.53 Lacs as compared to ₹ 606.18 Lacs in previous year. The operating Profit before tax was reduced to 1.84 Lacs only as against ₹ 22.15 Lacs in the previous year mainly due to increase cost of raw materials and reduction in turnover.

SUBSIDIARY COMPANY'S ACCOUNTS:

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet and Statement of Profit and Loss account of subsidiaries. The Central Government has granted general exemption from complying with Section 212 of the Companies Act, 1956 to all companies vide Notification No. 5/12/2007 – CL-III dated 8th February 2011. Accordingly, your Company has presented in this report the Consolidated Financial Statement of the holding company and all its subsidiaries duly audited by Statutory Auditors. The 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 of its subsidiaries 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.

DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 12% per equity share aggregating to ₹ 52.22 Lacs for financial year 2012 (previous year 15% aggregating to ₹ 65.28 Lacs). The dividend distribution tax on the recommended dividend amounts to ₹ 8.87 Lacs (previous year ₹ 11.09 Lacs). The dividend will be declared in the ensuing Annual General Meeting based on approval by the Shareholders.

DIRECTORS:

During the year Mr. Mofatraj Munot resigned from the office of Directorship of the Company. The Board places on record its appreciation for the valuable contribution made by him during his tenure.

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. P.D. Nagar and Mr. Chandrashekhar Bobra retire by rotation and are eligible for re-appointment/s.

The tenure of Mr. Sunil Chordia, Managing Director, has expired on 31st March, 2012 and Board of Directors at their meeting held on 28th May, 2012 has re-appointed him for further period of three years w.e.f 1st April, 2012 subject to approval of members in ensuing annual general meeting. The Board recommends his appointment.

The Board appointed Mrs. Sangeeta Chordia as Whole time Director w.e.f. 1st July, 2011 subject to approval of shareholders in the ensuing Annual General Meeting.

The Board appointed Mr. Surendra Singh Maru as an Additional Director with effect from 28th May 2012. Mr. Surendra Singh Maru will hold office till the date of forthcoming Annual General Meeting. A notice has been received from a member of the Company proposing the candidature of Mr. Surendra Singh Maru for being appointed as a Director of the Company.

AUDITORS:

M/s. Fadnis & Gupte, Chartered Accountants, Indore who are Statutory Auditors of the Company hold office up to the forthcoming Annual General Meeting and are recommended for re-appointment as the Statutory Auditors of the Company till the conclusion of next Annual General Meeting. As required under the provisions of the Section 224 (1B) of the Companies Act, 1956, the Company has obtained written consent from M/s. Fadnis & Gupte that their appointment if made would be in conformity with the limits specified in the Section.

AUDITORS REPORT:

The observations made by the Statutory Auditors in their report have been clarified in the relevant notes forming part of the Account which are self explanatory. The Company has prepared Annual accounts for the financial year 2011-12 in accordance to revised Schedule VI of the Companies Act, 1956. Therefore, the previous period figures have been regrouped/ re-cast wherever necessary.

COST AUDIT:

In terms of Notification no. 429E dated 3rd June 2011 read with Order no. 52/26/CAB/2010 dated 30th June 2011 of the Central Government and pursuant to Section 233-B of the Companies Act, 1956, the audit of Cost records has been made applicable on your Company. Accordingly, the Company has appointed M/s. Krishna S. & Associate, Mumbai as Cost Auditors to conduct the audit of cost records of the Company for FY 2011-12. The Company will file the cost Audit Report within stipulated time.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Your Company believes in formulating adequate and effective internal controls system and implementing the same to ensure that assets and interests of the Company are safeguarded and reliability of accounting data and accuracy are ensured with proper checks and balances. The internal control system is improved and modified continuously to meet the changes statutory and accounting requirements.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal controls system periodically and suggests improvements for strengthening the gaps. The Company has robust Management Information System which is an integral part of the internal control. The Audit Committee of the Board of Directors, Statutory Auditors, Internal Auditors and Business Heads periodically review the Internal Audit reports and its findings and corrective actions are taken thereof.

FIXED DEPOSITS:

The Company has not accepted any deposit during the year from the public and has no public deposit outstanding as on 31st March 2012.

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.

CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNINGS AND OUT GO:

The particulars as prescribed u/s 217(1)(e) of the Companies Act 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 are set out in an annexure to this report.

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 for the year ended 31st March 2012, 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, 2012 and of the Profit of the Company for the year ended on that date.
- iii. 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 Annual Accounts have been prepared on a 'going concern' basis.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS: :

Your Company has been able to operate efficiently because of a culture of professionalism, integrity, dedication, competence, commitments and continuous improvement shown by its employees in all functions and areas of business. Various HR initiatives are taken to align the HR policies to the growing requirements of the business.

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 place on record their sincere appreciation to the employees at all levels 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

Dated: 28th May 2012

SUNIL CHORDIA

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 2011-12.

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	2011-12	2010-11
1. ELECTRICITY:		
(a) Unit Consumed: (KWH)		
Purchased from MPEB	1,41,95,327	1,34,33,064
Generation through Wind Mill (Transfer to Grid)	26,21,054	25,95,488
Total Units	1,68,16,381	1,60,28,552
Total Amount	9,65,38,800	7,44,10,726
Rate/Unit	5.74	4.64
2. L.P.G/PROPANE/RLNG		
Quantity (Kgs)	16,45,946	17,86,303
Total Amount	4,29,49,466	3,51,62,030
Average Rate (Per Kg)	26.09	19.68
3. DIESEL/SKO/LDO:		
Quantity (Ltrs)	12,550	10,000
Total Amount	5,54,484	4,09,158
Average Rate	44.18	40.92
Consumption per Unit of production		
Electricity (Units)	556	543
L.P.G/RLNG (Kgs)	54	61

B. FOREIGN EXCHANGE:

The Company has incurred the following expenses in foreign currency:

On foreign travels ₹ 1,43,655 (₹ 3,68,295), on capital goods ₹ 9,88,883 (13,77,971), on import of raw material in foreign exchange during the year ₹ 1,10,275 (₹ 86,55,271/-), Testing Fees ₹ 18,544 (34,642/-), Technical Consultancy ₹ 4,10,098 (3,34,351), Components & Spare Parts ₹ 5,06,512 (Nil), Trading goods ₹ 3,93,38,680 (₹ 4,43,76,242).

The F.O.B. value of exports (including deemed F.O.B. Value) during the year was ₹ 9,90,50,160 (12,15,84,551/-). F.O.B Value of Export of Trading Goods ₹ 1,98,67,691 (3,47,72,956).

Remittance in Foreign Currency: Investment in Rajratan Thai Wire Co. Ltd. Rs. Nil (4,10,14,250/-), Loan to Rajratan Thai Wire Co. Ltd. Rs 3,04,47,500 (Nil).

C. TECHNOLOGY ABSORPTION:

RESEARCH AND DEVELOPMENT (R&D):

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

- DM Water Plant.
- Reduction in Water Consumption.
- Reduction in HCL Consumption.
- Complete revamping in Patenting Line.

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

- Improved quality of Bead Wire.
- Improved cooling efficiency of quenching and also reduction in water consumption.
- Save Waste Treatment cost and environment.
- Save Cost of Liquid Nitrogen Gas.

3. Future plan of action : Establish wet drawing process.

4. Expenditure on R & D:

- Capital	Nil
- Recurring	5,35,598
- Total	5,35,598
- Total R & D Expenditure (%)	0.027
(as a percentage of total turnover)	

TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION

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

- Established DM Water Plant for improvement of quality of Bead Wire.
- Modification of Wire Drawing Machine to reduce power-losses.
- Reduction in HCL Acid.
- Up-gradation of existing ETP and STP for efficient treatment of waste and to reduce water pollution.
- Complete revamping of Patenting Line.
- Reduction in Water consumption.

2. Benefits derived as a result of above efforts:

- To help achieve consistent quality of Bead Wire.
- Absorption of new technology which resulted in less power consumption and more productivity.
- Safe environment, Health & Safety.
- Save Water by 25%
- Reduction in consumption of Liquid Nitrogen Gas.

For and on behalf of the board

Indore
Dated: 28th May 2012

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 that helps to manage the Company's affairs in a fair accountable and transparent manner. 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. The details of each member of the Board along with the number of Directorship are provided in this report.

Constitution of the Board as on 31st March, 2012 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	4	YES	2
Mr. P.D. Nagar	Non Executive	4	YES	1
Mr. S. S. Mehta	Non Executive & Independent	3	NO	2
Mr. Abhishek Dalmia	Non Executive	3	NO	6
Mr. Chandrashekhar Bobra	Non Executive & Independent	4	YES	NIL
Mr. Deepesh Trivedi	Executive Director	3	YES	NIL
Mrs. Sangita Chordia	Executive Director	4	YES	1

* Excluding Private and Foreign Companies but including Private Companies which are subsidiaries of Public Company.

As required by the Listing Agreement, members of the Board do not have 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

Board meetings are conducted in accordance with the Article of Association of the Company. The Board meets at regular intervals to discuss and decide on business strategies/ policies and financial performance of the Company and its subsidiaries. The notice of each Board meeting is given in writing to each director. The Agenda along with the relevant notes and other information are sent in advance separately to each Director. The Minutes of the Board meetings are also circulated in advance to all Directors and confirmed at subsequent Meeting.

During Financial year 2011-12 the meetings were held four times on 11th May 2011, 25th July, 2011, 22nd October 2011, and 23rd January 2012.

3. AUDIT COMMITTEE

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the internal control and financial reporting process of the Company. The members of the Audit Committee are financially literates and bring in expertise in the field of Finance, Commerce, Taxation Economics and Risks.

(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 Internal Auditors, 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.