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वसुदेवसुतं देवं कंसचाणूरमर्दनम् । देवकीपरमानन्दं कृष्णं वन्दे जगद्गुरुम् ॥

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



RAM RATNA GROUP

RAM RATNA WIRES LTD.
AN ISO 9002 COMPANY

11th Annual Report 2002-03

Ram Ratna Wires Limited**BOARD OF DIRECTORS:**

Shri Rameshwarlal Kabra
 Shri Tribhuvanprasad Kabra
 Shri Mahendra Kumar Kabra
 Shri Shreegopal Kabra
 Shri Satyanarayan Loya
 Shri Vishnu Anant Mahajan
 Shri Raj Kumar Rath

Chairman
 Managing Director
 Whole Time Director
 Joint Managing Director
 Director
 Director
 Director

AUDITORS:

V. C. Darak & Associates,
 Chartered Accountants, Mumbai.

BANKERS:

State Bank of India
 Allahabad Bank
 ICICI Bank Limited

REGISTERED OFFICE:

Ram Ratna House, Victoria Mill Compound,
 Pandurang Budhkar Marg, Worli,
 Mumbai – 400 013.

CORPORATE OFFICE:

305/A, Windsor Plaza,
 R.C. Dutt Road, Alkapuri,
 Vadodara – 390 007.

WORKS:

Survey No. 212(2),
 Near Dadra Check Post, Village-Dadra,
 U. T. of Dadra & Nagar Haveli,
 Pincode – 396 191.

REGISTRAR AND TRANSFER AGENT:

Sharepro Services,
 Satam Estate, 3rd Floor,
 Above Bank of Baroda,
 Cardinal Gracious Road,
 Chakala, Andheri (East),
 Mumbai – 400 099.

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NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of the Members of Ram Ratna Wires Limited will be held at Maheshwari Bhavan, 603, Jagannath Shankar Seth Road, Mumbai - 400 002 on Monday, the 22nd day of September, 2003 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2003 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 Vishnu Anant Mahajan, 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 Rajkumar Rathi, 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 an Ordinary Resolution:

"RESOLVED THAT as per the recommendation of Remuneration Committee and pursuant to the provisions of Sections 198, 269, 309 and 311 read with Schedule XIII to the Companies Act, 1956 and subject to such other approvals as may be necessary, Shri Mahendra Kumar Kabra be and is hereby appointed as a Whole Time Director of the Company for a period of three years with effect from 1st June, 2003 upon the terms and subject to the conditions as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Shri Mahendra Kumar Kabra but subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time."

- a) Salary of Rs. 50,000/- per month.
- b) Commission based on the net profits of the company in a particular year which shall be within the overall limits laid down in Sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII to the said Act.
- c) Perquisites:
 - (i) Furnished accommodation including gas, electricity and water, medical reimbursement and leave travel concession for self and family, club fees, medical insurance, etc.

- (ii) Company's contribution to Provident Fund and Superannuation Fund to the extent either singly or put together are not taxable under the Income-Tax Act, 1961.
- (iii) Gratuity as per the Rules of the Company.
- (iv) Provision for use of Company's car for official duties and telephone at residence (including payment of local calls and long distance official calls).

"RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Whole Time Director shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole Time Director."

7. 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 61 and other applicable provisions of the Companies Act, 1956 and Clause 6.1 and other applicable provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, as may be agreed to by the Board of Directors of the Company ('the Board' which term shall be deemed to include any Committee thereof), consent of the Company be and is hereby accorded to the Board to delist the Equity Shares from the Stock Exchange at Ahmedabad."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the aforesaid voluntary delisting of shares, as it may, in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise and intent that the members shall be deemed to have given their approval expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorise any of its Committees/ Directors or any of the Officers of the Company to do all such acts, deeds or things to give effect to the aforesaid resolution."

By order of the Board of Directors

Place: Mumbai
Dated: 23rd June, 2003

Tribhuvanprasad Kabra
Managing Director

REGISTERED OFFICE:

Ram Ratna House,
Victoria Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 013.

Ram Ratna Wires Limited



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 (fortyeight) hours before the time fixed for holding the meeting.
3. The Register of Members and Share Transfer Books will remain closed from Saturday, 13th September, 2003 to Monday, 22nd September, 2003 (both days inclusive).
4. The payment of dividend, if declared at the said meeting, will be made to those shareholders whose names shall appear on the Company's Register of Members on 22nd September, 2003 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 on 12th September, 2003 as per the details to be furnished by the Depositories for the purpose. Dividend warrants shall be dispatched within thirty days from the date of the Annual General Meeting.
5. Members are requested to notify change of address, if any, to the Company's Registrar & Transfer Agent, M/s. Sharepro Services, Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai - 400 099.
6. Members are requested to bring their copy of Annual Report to the Meeting.
7. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
8. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed herewith.

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

Name	Shri Vishnu Anant Mahajan	Shri Raj Kumar Rathi
Age	64 Years	60 Years
Qualification	B. Com, F.C.A.	B.A.
Nature of Expertise	Chartered Accountant	Businessman
Experience	Obtained qualification as a Chartered Accountant in the year 1967. Since then practising as a Chartered Accountant. He has been associated with handling of audit work of various private and public limited companies including some well known companies. Also associated with the auditing of various renowned banks and insurance companies. Also specialised in taxation matters and in the field of preparation of Project Report for Bank purposes. Was also a member of the Research Committee of Institute of Chartered Accountants of India (ICAI).	Vast experience in manufacturing and distribution of electronic components. Ex - Director of W.M.D.C., a Maharashtra Government Organisation and also Ex - Board member of Maharashtra State Telephone Committee.
Name of Companies in which also holds Directorship	Duraweld Wear Plates Pvt. Ltd.	None
Name of the Companies in Committees of which also holds Membership / Chairmanship	None	None

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

Item No. 6:-

Shri Mahendra Kumar Kabra is acting as a Director of the Company since its incorporation.

The Board of Directors of the Company at their meeting held on 23rd June, 2003, appointed Shri Mahendra Kumar Kabra as a Whole Time Director of the Company for a period of three years with effect from 1st June, 2003 on terms and conditions as stated in the resolution.

The appointment of Shri Mahendra Kumar Kabra as the Whole Time Director of the Company, would require the consent of the shareholders of the Company pursuant to Section 269 and other applicable provisions of the Companies Act, 1956 and in accordance with the provisions of Schedule XIII to the said Act. The said resolution is therefore, recommended for your approval.

Shri Mahendra Kumar Kabra is concerned or interested in the resolution vide item no. 6 for his appointment as Whole Time Director. All Directors except Shri Satyanarayan Loya, Shri Vishnu Anant Mahajan and Shri Rajkumar Rathi are interested or concerned in the said resolution.

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Item No. 7:-

As the members are aware, the shares of the Company are presently listed with the Stock Exchange, Mumbai and the Stock Exchange, Ahmedabad.

The bulk of the trading of the Company's Equity Shares takes place at the Stock Exchange, Mumbai. It has been observed that the trading in Equity Shares in past few years on the Stock Exchange, Ahmedabad is rare and negligible and is disproportionate to the listing fees payable by the Company to the Stock Exchange, Ahmedabad. No particular benefit is available to the shareholders by continuing the listing of the Equity Shares on the Stock Exchange, Ahmedabad. The proposed delisting of the Company's Equity Shares on the Stock Exchange, Ahmedabad will not be prejudicial to, or affect the interest of the shareholders. Hence, the Company is contemplating the possibility of delisting of its shares from the Stock Exchange, Ahmedabad for the present.

As per the recent Securities and Exchange Board of India (Delisting of Securities) Guidelines – 2003, a relatively simplified procedure is required to be followed in case subsequent to the delisting of the shares from one or more Stock Exchange(s), the securities of the Company continue to be listed at a Stock Exchange having nation wide terminals such as the Stock Exchange, Mumbai or the National Stock Exchange.

It is accordingly proposed to give the authority to the Directors to delist the shares of the company from the Stock Exchange, Ahmedabad where trading volumes are not large.

The Company's Equity Shares will continue to be listed on the Stock Exchange, Mumbai.

In terms of the Delisting Guidelines, a public announcement regarding the proposed delisting will be published. The delisting will take effect only after all approvals, permissions and sanctions have been received.

The Directors recommend this resolution for approval of shareholders.

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

*By order of the Board of Directors

Place: Mumbai

Dated: 23rd June, 2003

Tribhuvanprasad Kabra
Managing Director

REGISTERED OFFICE:

Ram Ratna House,
Victoria Mill Compound,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 013.

Ram Ratna Wires Limited



DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the Eleventh Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2003.

FINANCIAL HIGHLIGHTS:

(Rs. in Lacs)

Particulars	Year ended 31.03.2003	Year ended 31.03.2002
Sales and other Income	6877.04	5999.84
Profit before Interest, Depreciation, Extraordinary items and Tax	384.00	376.31
Less: Interest	147.38	161.67
Less: Depreciation	86.43	72.22
Profit before Extraordinary items and Tax	150.19	142.42
Less: Extraordinary item (Loss on sale of assets)	0.69	0.72
Profit before Tax	149.50	141.70
Less: Provision for Taxation	46.06	37.23
Profit after Taxation	103.44	104.47
Add: Prior period adjustments	0.00	0.65
Net Profit after Tax and prior period adjustments	103.44	105.12
Balance brought forward from Previous Year	333.61	228.49
Profit available for Appropriations	437.05	333.61

Dividend:

Your Directors are pleased to recommend dividend at the rate of 5% for the year ended 31st March, 2003.

Operations:

The turnover of the Company increased by 14.6% to Rs. 6876.78 Lacs during the year under review. The Company has earned a net profit of Rs. 103.44 Lacs (previous year Rs. 105.12 Lacs) after providing for taxation and extraordinary items and making prior period adjustments.

During the year, your Company has successfully expanded its operation by installing two imported enamelling machines and one wire drawing machine. The cost of expanded operations were partly met by availing term loan of Rs. 155 Lacs from State Bank of India and balance from internal accruals.

Barring unforeseen circumstances, your Directors are confident of achieving better results in the ensuing year.

Change in Registrar and Transfer Agents:

The Company has appointed M/s. Sharepro Services as the new Registrar and Transfer Agents (RTA) in place of IIT Corporate Services Limited w.e.f. 10th June, 2003. The address of the new RTA is given in the 'General Shareholders Information' section of the Corporate Governance Report attached hereafter.

Particulars of Employees:

The Company does not have any employee employed throughout the year under review or part thereof, who was in receipt of remuneration aggregating to or in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

Directors:

Shri Vishnu Anant Mahajan and Shri Raj Kumar Rathi, Directors, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. Brief profile of the said Directors is given in the notes to the Notice of the ensuing Annual General Meeting.

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SHRAMIK™**Directors' Responsibility Statement:**

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

- in the preparation of the annual accounts, the applicable Accounting Standards have been followed;
- that the Directors have selected such accounting policies and applied them consistently and made judgements 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, 2003 and of the profit of the Company for that period;
- 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;
- that the annual accounts for the year ended 31st March, 2003 have been prepared on a going concern basis.

Corporate Governance:

A Report on Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of the requirements of Corporate Governance, as also a Management Discussion & Analysis Report pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges are annexed hereto.

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 observations made by the Auditors in their Report read with the relevant notes as given in the Notes on Accounts for the year ended 31st March, 2003, are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

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.

Acknowledgements:

Your Directors take this opportunity to express their gratitude for the support and co-operation from the Investors, Financial Institutions, Banks, Statutory Authorities, Customers and Suppliers. Your Directors also take pleasure in commending the valuable contributions made by the Company's employees at all levels during the year.

For and on behalf of the Board

Place: Mumbai

Rameshwarlal Kabra

Dated: 23rd June, 2003

Chairman



Ram Ratna Wires Limited

ANNEXURE TO THE DIRECTORS' REPORT

Information 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 31st March 2003.

A. CONSERVATION OF ENERGY

The Company is continuously engaged in the process of energy conservation through improved operational and maintenance practices. In major indigenous machineries, your company has incorporated energy saving Electronic Thyristor Control Panels developed by Siemens which save energy. The Company has imported Enamelling Machines which are having the least power consumption, thereby conserving energy apart from eliminating pollution. Your Company has installed energy meters in major energy consuming machines. The day to day consumption is monitored and ways and means are adopted to reduce the power consumption in an effort to save energy.

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

The technology required for manufacturing products of the Company is indigenous. This indigenous technology is being absorbed for the products of the Company. The Company has not imported any technology and process.

C. FOREIGN EXCHANGE EARNING AND OUTGO

- | | |
|----------------------------------|---------------|
| 1. Total Foreign Exchange earned | Rs. Nil |
| 2. Total Foreign Exchange used | Rs. 6.92 Lacs |

For and on behalf of the Board

Place: Mumbai

Dated: 23rd June, 2003

Rameshwarlal Kabra
Chairman

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) Industry structure and developments

The demand for Super Enamelled Copper Winding Wires is expected to increase considering the growth of user industries viz. motors, pumps, stabilizers, automobiles, consumer durables, telecommunication equipment, industrial fittings, home appliances and replacement market.

(b) Opportunities and threats

The Company's opportunities lie in the adequate demand for the enamelled wires in the real user segment. The Company may face tough competition from the leading players in the industry.

(c) Segment-wise or product-wise performance

The Company has only one business segment i.e. Super Enamelled Copper Winding Wire. The figures of production and sales for Super Enamelled Copper Winding Wire are furnished in the Notes on Accounts.

(d) Outlook

The Company is proactively responding to the changing business environment and is confident of sustaining its market share by improving competitive position in the market. The overall business outlook for the company is promising with the improvement in overall economic environment. Efforts towards higher operational efficiencies shall continue. The Company continues to examine the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

(e) Risks and Concerns

The Company continues to remain focused on its core competence product i.e. Super Enamelled Copper Winding Wire. Competition in the market place continues to have an impact on the Company's realisations and also exerts pressure on the margins.

(f) Internal Control Systems and their adequacy

The Company's operating and business control procedures have been framed in order that they ensure efficient use of resources and comply with the procedures and regulatory requirements. The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded and reported correctly.

(g) Discussions on financial performance with respect to operational performance

	(Rs. in Lacs)		
	2002-2003	2001-2002	%Change
Total quantity of Sales (in M.T.) (Super Enamelled Copper Winding Wire)	2,598.577	2,224.677	16.81%
Income from Operations	6,876.78	5,999.84	14.62%
Profit before Interest, Depreciation and Tax	384.00	376.31	2.04%
Interest Expenditure (net of income)	147.38	161.67	(8.84%)
Depreciation	86.43	72.22	19.68%
Extraordinary items - loss on sale of fixed assets / assets discarded	0.69	0.72	(4.17%)
Net Profit after Tax	103.44	105.12	(1.60%)
Earnings per Share (in Rs.)	1.35	1.37	(1.46%)

(h) Human Resource Development

The Company believes that the human resources are vital resource in giving the Company a competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. As in the past, the Company enjoyed cordial relations with the employees at all levels.

The total number of personnel employed as on 31st March, 2003 were 104 (staff 45 and workers 59).



Ram Ratna Wires Limited

CORPORATE GOVERNANCE

Company's Philosophy on Code of Corporate Governance

Ram Ratna Wires Limited (RRWL) is committed to good Corporate Governance and its philosophy on Corporate Governance embraces a framework and implementation of systems and practices with an emphasis on transparency and accountability beyond the regulatory stipulations necessary for fulfillment of the requirements of the listing agreement with Stock Exchanges. The Company respects the inalienable rights of its shareholders to information on the performance of the Company and considers itself a trustee of its shareholders. The Company provides detailed information on various issues concerning the Company's business and financial performance to the shareholders. The objective of the Company is to achieve business excellence and dedicate it to increasing the value of long-term interest of all the stakeholders.

A. Board Composition

RRWL's Board presently consists of a majority of non-executive directors, having rich and varied experience. The Board comprises of Three (3) Executive Directors and Four (4) Non-Executive Directors of which Three (3) are Independent. The Chairman of the Board is a Non-Executive Director.

The constitution of the Board is as given below:

Directors	Executive / Non-Executive / Independent *	Number of other		
		Directorships**	Committee Memberships	Committee Chairmanships
Shri Rameshwarlal Kabra	Chairman, Non-Executive	0	0	0
Shri Tribhuvanprasad Kabra	Managing Director, Executive	1	0	0
Shri Mahendra Kumar Kabra	Whole Time Director, Executive	1	1	0
Shri Shreegopal Kabra	Joint Managing Director, Executive	0	0	0
Shri Vishnu Anant Mahajan	Non-Executive, Independent	0	0	0
Shri Satyanarayan Loya	Non-Executive, Independent	2	1	1
Shri Raj Kumar Rathi	Non-Executive, Independent	0	0	0

* Independent Director means a director who apart from receiving Director's remuneration, does not have any material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which in the judgement of the Board, may affect independence of judgement of the Director.

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

B. Board Meetings

1. Scheduling and selection of agenda items for Board Meetings

The Board Meetings are generally held at the Registered office or the Works office of the Company. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda, and also on the occasion of the annual shareholders' meeting. When necessary, additional meetings are held.

There were five Board Meetings during the year ended 31st March, 2003 i.e. on 30th May 2002, 16th July 2002, 26th October 2002, 25th January 2003 and 27th March 2003. Table hereunder gives the attendance record of the directors.

Name of the Directors	Number of Board Meetings held	Number of Board Meetings attended	Whether attended last AGM
Shri Rameshwarlal Kabra	5	5	Yes
Shri Tribhuvanprasad Kabra	5	5	Yes
Shri Mahendra Kumar Kabra	5	5	Yes
Shri Shreegopal Kabra	5	4	Yes
Shri Satyanarayan Loya	5	5	Yes
Shri Vishnu Anant Mahajan	5	3	Yes
Shri Raj Kumar Rathi	5	2	Yes