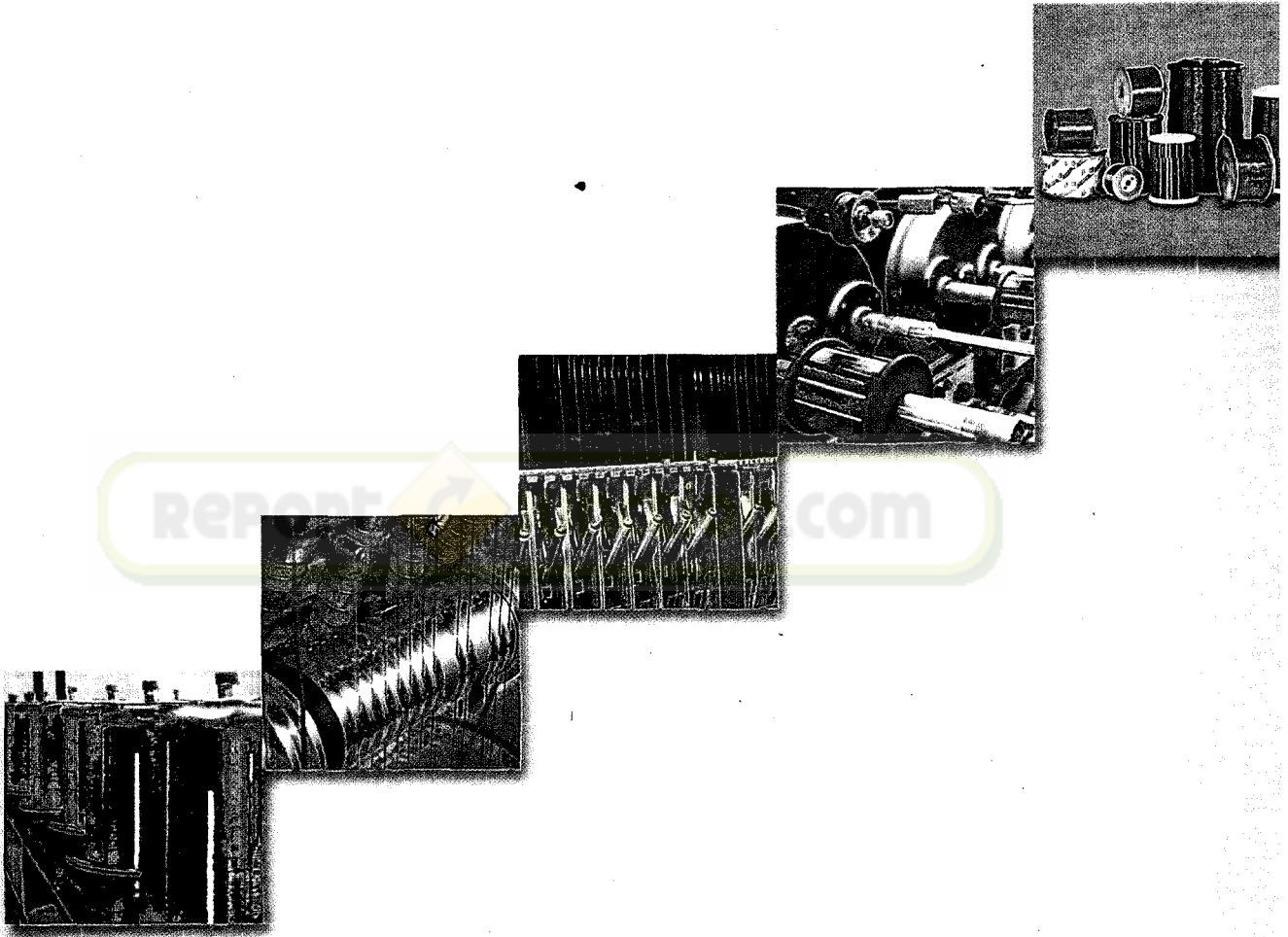




॥श्रीः॥

वसुदेवसुतं देवं कंसचाणूरमर्दनम् । देवकीपरमानन्दं कृष्णं वन्दे जगद्गुरुम्॥

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



RAM RATNA WIRES LTD
AN ISO 9001 COMPANY

Ram Ratna Wires Limited



FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

Particulars	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
<u>A. Operating Results :</u>						
Sales and related income	24,441.66	15,413.74	12,635.24	10,166.46	6,876.78	5,999.84
Other Income	12.37	2.00	-	-	0.26	-
Net Profit before Taxation	162.38	296.81	302.44	216.92	149.50	142.35
Provision for Taxation	66.38	107.42	83.03	55.82	46.06	37.23
Net Profit after Taxation	96.00	189.39	219.41	161.10	103.44	105.12
<u>B. Financial Position :</u>						
Fixed Assets (Net)	2,153.77	1,908.05	1,035.62	1,048.84	1,091.24	870.99
Current Assets (Net)	4,554.11	2,683.84	2,296.93	1,070.58	688.92	1,161.42
Investments	40.00	40.00	40.00	40.00	40.00	40.00
TOTAL ASSETS	6,747.88	4,631.89	3,372.55	2,159.42	1,820.16	2,072.41
Share Capital	947.00	947.00	947.00	767.00	767.00	767.00
Reserves and Surplus	681.14	668.23	663.82	522.07	434.82	360.68
SHAREHOLDERS' FUND	1,628.14	1,615.23	1,610.82	1,289.07	1,201.82	1,127.68
Loan Funds	4,903.06	2,825.19	1,630.99	781.84	542.56	903.24
Deferred Tax	216.68	191.47	130.74	88.51	75.78	41.49
TOTAL CAPITAL EMPLOYED	6,747.88	4,631.89	3,372.55	2,159.42	1,820.16	2,072.41
<u>C. Equity Share Data :</u>						
Earnings Per Share (Rs.)	1.01	2.00	2.71	2.10	1.35	1.37
Dividend (%)	7.50	12.50	12.50	10.00	5.00	-
Number of Shares (in Lacs)	94.70	94.70	94.70	76.70	76.70	76.70

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

Shri Rameshwarlal Kabra	Chairman
Shri Tribhuvanprasad Kabra	Managing Director
Shri Mahendra Kumar Kabra	Director
Shri Vishnu Anant Mahajan	Director
Shri Satyanarayan Loya	Director
Shri Mukund Chitale	Director
Shri Ajai Singh	Director

AUDITORS :

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

BANKERS :

State Bank of India
Allahabad Bank
Standard Chartered Bank

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,
Vadodra - 390 007.

WORKS :

- (1) Survey No. 212(2),
Near Dadra Checkpost, Village Dadra,
U. T. of Dadra & Nagar Haveli,
Pincode - 396 191.
- (2) Salasar Copper
Survey No. 142(2), Village Karad,
Madhuban Dam Road, Rakholi,
U.T. of Dadra & Nagar Haveli,
Pincode - 396 240.

REGISTRAR AND TRANSFER AGENT :

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

CONTENTS

Particulars	Page No(s).
Notice	1
Directors' Report	4
Management Discussion and Analysis Report	7
Corporate Governance Report	9
Auditors' Report	20
Balance Sheet	23
Profit & Loss Account	24
Schedules "A" to "S"	25
Balance Sheet Abstract	36
Cash Flow Statement	37

Ram Ratna Wires Limited**NOTICE**

NOTICE is hereby given that the Fifteenth 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 Friday, the 31st day of August, 2007 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, 2007 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 Mukund Chitale, 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.

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 26th June, 2007

Tribhuvanprasad Kabra
Managing Director

REGISTERED OFFICE:

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

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. Proxies submitted on behalf of companies, etc., must be supported by appropriate resolution/authority, as applicable.
3. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Assistant Vice President (Commercial), so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
4. The Register of Members and Share Transfer Books will remain closed from Saturday, 25th August, 2007 to Friday, 31st August, 2007 (both days inclusive).

Ram Ratna Wires Limited

5. The payment of dividend, if any, declared at the Annual General Meeting, will be made to those shareholders whose names appear on the Company's Register of Members on 31st August, 2007 or to their nominees. In respect of shares in dematerialized form, dividend will be paid to the beneficial owners as at the end of business hours on 24th August, 2007 as per the details to be received from Depositories for the purpose. Dividend warrants shall be dispatched within thirty days from the date of the Annual General Meeting.
6. Pursuant to Section 205A and 205C of the Companies Act, 1956, all unclaimed / unpaid dividends, remaining unpaid or unclaimed for a period of 7 years from the date they became due for payment, need to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Members are requested to contact the Company's Registrar and Share Transfer Agents, for payment in respect of unclaimed/unpaid dividends. Please note that the dividend declared by the Company for the financial year 1999 – 2000 will be transferred to IEPF in the month of October, 2007.
7. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at Sharepro Services (India) Private Limited, Satam Estate, 3rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai – 400 099 in respect of their physical share folios.
8. Members are requested to bring their copy of Annual Report to the Meeting.
9. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
10. The relevant details as required by Clause 49 of the Listing Agreement entered into with the Stock Exchange, of persons, seeking re-appointment as Directors under Item Nos. 3 and 4 above, is annexed.

Ram Ratna Wires Limited
BRIEF RESUME OF PERSONS PROPOSED TO BE RE-APPOINTED AS DIRECTORS OF THE COMPANY AT THE ANNUAL GENERAL MEETING:

Name	Shri Vishnu Anant Mahajan	Shri Mukund Chitale
Age	68 years	57 years
Qualification & Nature of Expertise	B. Com, F.C.A. Chartered Accountant	B. Com, F.C.A. Chartered Accountant
Experience	Shri Vishnu Anant Mahajan is a practicing Chartered Accountant. He passed his Chartered Accountant's exam in the year 1967. He has been associated with handling of audit work of various private and public limited companies including some well-known companies. He is also associated with the auditing of various renowned banks and insurance companies and also specialised in taxation matters and in the field of preparation of Project Reports for Bank purposes. He was also a member of the Research Committee of the Institute of Chartered Accountants of India (ICAI)	Shri Mukund Chitale is a practicing Chartered Accountant since 1973. He is the Chairman of: 1) Principal Pnb Asset Management Company Private Limited and 2) The Ethics Committee of the Bombay Stock Exchange Ltd. He is a member of: 1) Governing Council of Banking Codes and Standards Boards of India, 2) Advisory Board on Banks, Commercial and Financial Frauds and 3) Board of Supervision of NABARD. He is also a Trustee of various Social Organisations. He was the President of ICAI during 1997-98. He had also been a member of various Committees like The International Auditing Practices Committee, The Committee for Collective Investment Schemes, Committee on Procedures and Performance Audit of Public Services, Working Group on Restructuring of Weak Public Sector Banks and Company Law Advisory Committee of Central Government.
Name of Companies in which also holds Directorship	Duraweld Wear Plates Pvt. Ltd.	ASREC (India) Limited Citigroup Global Services Ltd. Itz Cash Card Ltd. Larsen & Toubro Limited Principal PNB Asset Management Company Pvt. Ltd. Shriram Transport Finance Co. Ltd.
Name of the Companies in Committees of which holds membership / chairmanship	None	ASREC (India) Limited Citigroup Global Services Ltd. Larsen & Toubro Limited Shriram Transport Finance Co. Ltd.
Number of Shares held in Ram Ratna Wires Limited	3,000 Equity Shares	Nil

Ram Ratna Wires Limited**DIRECTORS' REPORT**

The Members,

Your Directors have pleasure in presenting the Fifteenth Annual Report on the operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2007.

Financial Highlights:**(Rs in Lacs)**

Particulars	Year ended 31.03.2007	Year ended 31.03.2006
Gross Sales and other Income	24,454.03	15415.74
Profit before Interest, Depreciation, Extraordinary items and Tax	774.78	676.22
Less: Interest	420.49	227.05
Less: Depreciation	187.63	146.82
Profit before Extraordinary items and Tax	166.66	302.35
Less: Extraordinary item (Loss on sale of assets/asset discarded)	5.62	6.75
Profit before Tax and prior period adjustments	161.04	295.60
Less: Provision for Taxation	66.38	107.42
Profit before prior period adjustments	94.66	188.18
Add : Prior period adjustments	1.34	1.21
Net Profit after tax and prior period adjustments	96.00	189.39
Balance brought forward from Previous Year	566.23	517.82
Profit available for appropriation	662.23	707.21
Appropriations:		
Proposed Dividend	71.02	118.38
Corporate Dividend Tax	12.07	16.60
General Reserve	0.00	6.00
Balance Carried Forward	579.14	566.23

Dividend:

Your Directors are pleased to recommend, for approval of members, dividend at the rate of 7.5% (Previous Year 12.50%) for the financial year ended 31st March, 2007. The dividend, if approved, as above, would involve an outflow of Rs. 71.02 Lacs towards dividend and Rs. 12.07 Lacs towards dividend tax, resulting in a total outflow of Rs. 83.09 Lacs.

Operations:

For the financial year ended 31st March, 2007, the sales and other income of the Company increased by 58.63% to Rs. 24,454.03 Lacs as compared to Rs. 15,415.74 Lacs in the previous year. However, due to lower capacity utilization and high volatility in copper prices, the profit of the Company has declined for the fiscal 2006-07 as compared to the previous year. The Company has for the year ended 31st March, 2007 earned a net profit of Rs. 96.00 Lacs (previous year Rs. 189.39 Lacs).



Ram Ratna Wires Limited

Expansion Plan:

The Company plans to expand its product range to cover Enamelled and Bare Copper Strips and Aluminium Enamelled Copper Wire. The cost of expansion will be part financed by way of term loan and balance from internal accruals and unsecured loans.

Particulars of Employees:

The Company does not have any employee in receipt of remuneration equal to or exceeding 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 Mukund Chitale, Directors, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

Shri Mahendra Kumar Kabra has resigned as Whole Time Director w.e.f. 1st April, 2007. He is continuing as a member of the Board of Directors as a Non-Executive Director.

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

Directors' Responsibility Statement:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm 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 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, 2007 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, 2007 have been prepared on a going concern basis.

Corporate Governance:

A Report on Corporate Governance as also a Management Discussion and Analysis Report along with a certificate from M/s. Rathi & Associates, Company Secretaries in practice, regarding compliance of requirements of Corporate Governance pursuant to Clause 49 of the Listing Agreement with the Stock Exchange 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 to Accounts for the year ended 31st March, 2007 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

Public Deposits:

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

Ram Ratna Wires Limited**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:

The Board wishes to place on record their sincere appreciation for the continuous support received from Shareholders, Customers, Suppliers, Bankers, Statutory Authorities and all other business associates. The Board also takes this opportunity to appreciate and value the contribution made by the Company's employees at all levels during the year under review.

For and on behalf of the Board

Place : Mumbai
Dated : 26th June, 2007

Rameshwarlal Kabra
Chairman

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 2007.

A. CONSERVATION OF ENERGY

Our Company has imported modern Enamelled Copper Wire making plants with advanced technology. In conventional machine, copper wire is drawn in Wire drawing Machine which is coiled in drum and transported to enamelling plant where it is de-coiled and annealed; and then enamelled in enamelling machine. All these processes i. e. Wire Drawing, Annealing and Enamelling are done in a single continuous operation in the latest imported in-line Drawing and Enamelling plant with automatic reel change over system. This saves a lot of electrical energy and time; and also improves the quality of Enamelled Copper Wire; as unnecessary coiling, de-coiling, transportation of reels and joining of wire during enamelling is avoided. Further, most of the operations are automatically controlled by latest electronics and PLC (Programmed Logic Control) controlled by a central computer. In addition to this, the waste solvent in the wire enamel is burnt with the help of imported Catalyst, which generates enormous heat energy, which is used for making enameled wire in the furnace, thereby saving substantial electrical energy. In short, the company has adopted latest technology for conserving energy & also incorporated automatic system for avoiding wastage & improving quality of Enamelled Copper Wire.

Total energy consumption and energy consumption per unit of production:

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

B. TECHNOLOGY ABSORPTION

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 EARNINGS AND OUTGO

	<u>2006-07</u>	<u>2005-06</u>
1. Total Foreign Exchange earned	Nil	Nil
2. Total Foreign Exchange used	Rs. 22.13 Lacs	Rs. 17.87 Lacs

For and on behalf of the Board

Place : Mumbai
Dated : 26th June, 2007

Rameshwarlal Kabra
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

CAUTIONARY STATEMENT:

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

(a) Industry structure and developments

Our Nation has plans to set up additional capacity of power plants to generate approx 75000 megawatts in coming years. Every Megawatt of electricity generated is ultimately utilised in industry, trade and commerce and domestic requirement i.e. in Motors, Transformers, Stabilizers, UPS, Inverters, Lighting chocks and domestic appliances which needs Enamelled Copper Wire. Therefore, the demand for Enamelled Copper Wire is anticipated to remain high and assured.

(b) Opportunities and threats

The Company's opportunities lie in the adequate demand for the Enamelled Copper 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. Enamelled Copper Wire. The figures of production and sales for Enamelled Copper Wire are furnished in the Notes to Accounts.

(d) Outlook

The overall business outlook for the company is promising with the improvement in overall economic environment. With 7% to 8% growth in GDP and over 12% growth in manufacturing sector, the demand for electrical energy and hence Enamelled Copper Wire is very high and therefore outlook is bright.

(e) Risks and Concerns

In the highly competitive market subject to rapid technological changes and regulatory developments, the Company's ability to manage diverse risks determine its success. As the business environment remains challenging and scale becomes the most critical component for survival, the Company continues to invest in growth drivers namely people and processes besides the expansion plan so as to remain in the race at a good position. The Company continues to remain focused on its core competence product i.e. Enamelled Copper Wire and slowly widening the base in Strips and Aluminium Wire. Low value addition and stiff competition in the market continues to have an impact on the company's realisations and also exerts pressure on the margins.