

18<sup>th</sup> Annual Report 2009-2010



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

॥ श्री ॥

वसुदेवसुतं देवं कंसचाणूरमर्दनम् ।

देवकीपरमानन्दं कृष्णं वन्दे जगद्गुरुम् ॥

**RR✓SHRAMiK**  
Winding Wire



Salasar Copper, Silvassa.

**18<sup>th</sup> ANNUAL GENERAL MEETING**

Day & Date : Friday, 13<sup>th</sup> August, 2010  
 Venue : Maheshwari Bhavan,  
 Plot No. R - 14 & 15, Oshiwara,  
 New Link Road Ext., Opp. Tarapur Garden,  
 Andheri (West), Mumbai – 400 053  
 Phone No. : 022 - 2637 4253 / 54 / 56 / 57  
 Time : 11:30 a.m.

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

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

#### REGISTERED OFFICE

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

#### CORPORATE OFFICE

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

#### WORKS

- |   |  |
|---|--|
| 1) Survey No. 212/2,<br>Near Dadra Check Post,<br>Village : Dadra, Silvassa - 396 193<br>U.T. of Dadra & Nagar Haveli | 2) Salasar Copper<br>Survey No. 142/2, Madhuban Dam Road,<br>Village : Rakholi, Silvassa - 396 240<br>U.T. of Dadra & Nagar Haveli |
|---|--|

#### AUDITORS

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

#### CONSULTING COMPANY SECRETARY

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

#### BANKERS

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

#### REGISTRAR AND SHARE TRANSFER AGENT

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

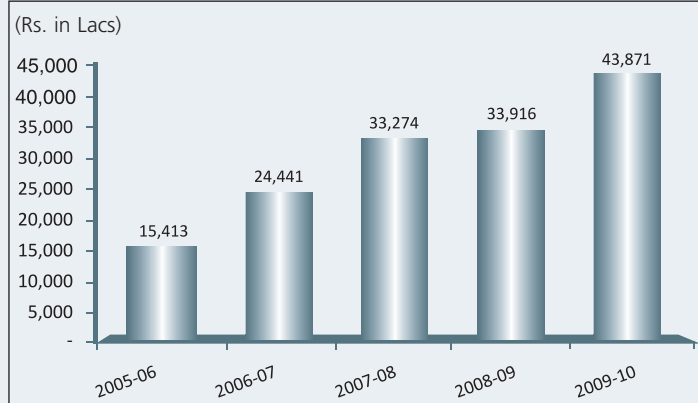
## FINANCIAL HIGHLIGHTS

(Rs. in Lacs)

Description	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
<b>A. Operating Results:</b>							
Sales and related income	43,871.44	33,916.91	33,274.00	24,441.66	15,413.74	12,635.24	10,166.46
Other Income	31.54	23.57	66.73	12.37	2.00	-	-
<b>Net Profit before Taxation</b>	<b>1,788.39</b>	<b>220.95</b>	<b>874.91</b>	<b>162.38</b>	<b>296.81</b>	<b>302.44</b>	<b>216.92</b>
Provision for Taxation	617.70	83.85	324.27	66.38	107.42	83.03	55.82
<b>Net Profit after Taxation</b>	<b>1,170.69</b>	<b>137.10</b>	<b>550.64</b>	<b>96.00</b>	<b>189.39</b>	<b>219.41</b>	<b>161.10</b>
<b>B. Financial Position:</b>							
Fixed Assets (Net)	3,053.16	3,025.63	2,544.86	2,153.77	1,908.05	1,035.62	1,048.84
Current Assets (Net)	7,848.52	4,653.81	5,863.86	4,554.11	2,683.84	2,296.93	1,070.58
Investments	40.00	40.00	40.00	40.00	40.00	40.00	40.00
<b>TOTAL ASSETS</b>	<b>10,941.68</b>	<b>7,719.44</b>	<b>8,448.72</b>	<b>6,747.88</b>	<b>4,631.89</b>	<b>3,372.55</b>	<b>2,159.42</b>
Share Capital	1,100.00	1,100.00	1,100.00	947.00	947.00	947.00	767.00
Reserves and Surplus	2,663.57	1,749.43	1,708.85	681.14	668.23	663.82	522.07
<b>SHAREHOLDERS' FUND</b>	<b>3,763.57</b>	<b>2,849.43</b>	<b>2,808.85</b>	<b>1,628.14</b>	<b>1,615.23</b>	<b>1,610.82</b>	<b>1,289.07</b>
Loan Funds	6,848.89	4,567.11	5,397.99	4,903.06	2,825.19	1,630.99	781.84
Deferred Tax	329.22	302.90	241.88	216.68	191.47	130.74	88.51
<b>TOTAL CAPITAL EMPLOYED</b>	<b>10,941.68</b>	<b>7,719.44</b>	<b>8,448.72</b>	<b>6,747.88</b>	<b>4,631.89</b>	<b>3,372.55</b>	<b>2,159.42</b>
<b>C. Equity Share Data:</b>							
Earning per share (Rs.)	10.64	1.25	5.80	1.01	2.00	2.71	2.10
Book value (Rs.)	36.55	25.90	25.56	17.19	17.06	16.48	16.11
Dividend (%)	20.00	7.50	15.00	7.50	12.50	12.50	10.00
Number of Shares (in Lacs)	110.00	110.00	110.00	94.70	94.70	94.70	76.70
<b>D. Operational Performance:</b>							
Production - ECW (MTs)	9,893	8,289	7,017	5,044	4,182	3,305	3,140
Production - ECS (MTs)	410	282	90	10	-	-	-
Capacity Utilization - ECW	72%	69%	70%	60%	61%	79%	85%
Capacity Utilization - ECS	68%	47%	15%	2%	-	-	-

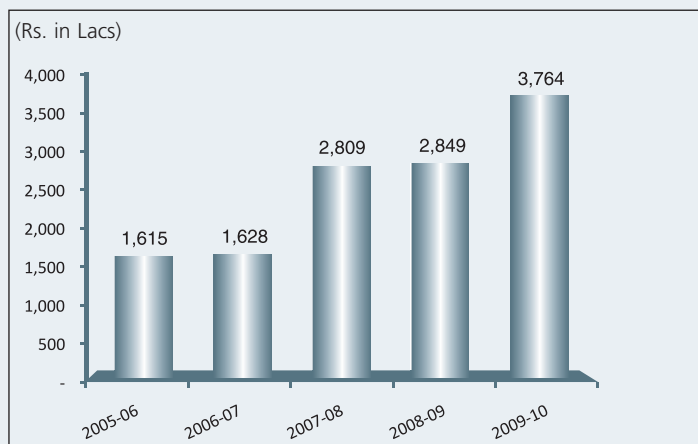
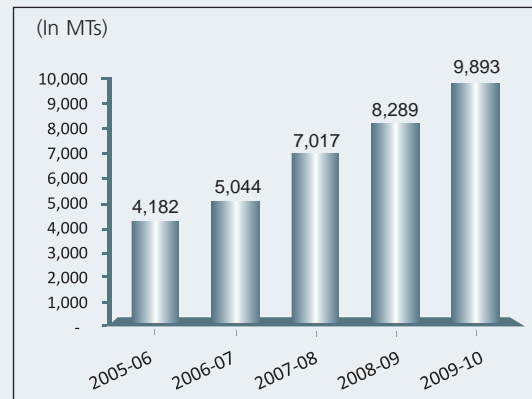
ECW - Enamelled Copper Wire.

ECS - Enamelled Copper Strips.



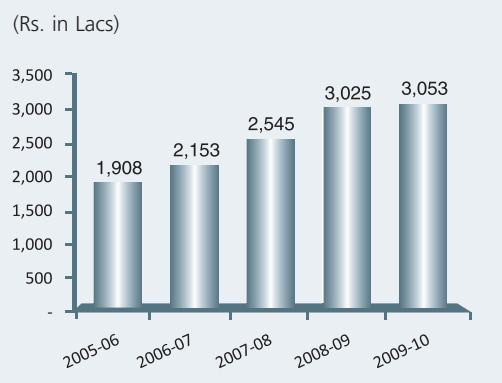
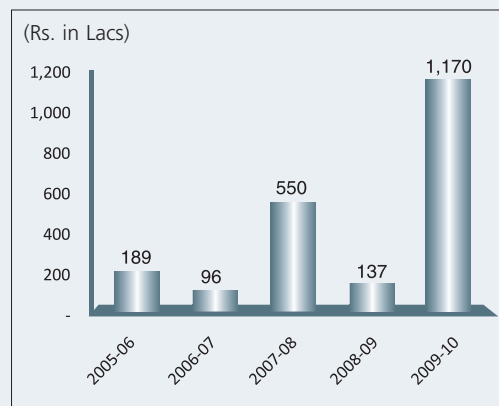
Sales and Related Income

Production - ECW



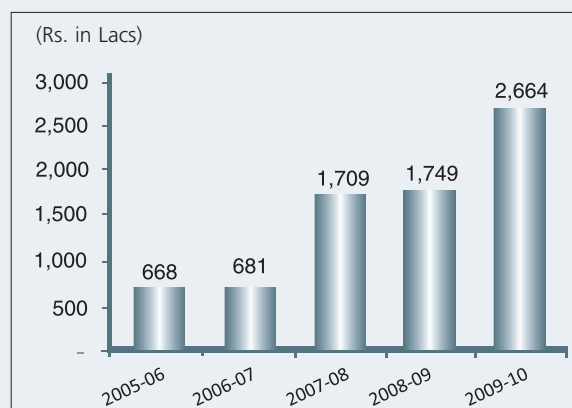
Net Worth

### Net Profit after Tax



### Fixed Assets

### Reserve & Surplus





## NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Ram Ratna Wires Limited will be held at Maheshwari Bhavan, Plot No. R-14 & 15, Oshiwara, New Link Road Ext., Opp. Tarapur Garden, Andheri (West), Mumbai – 400 053 on Friday, 13<sup>th</sup> August, 2010, at 11:30 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2010, the 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 authorize 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** pursuant to the provisions of Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956, including amendment thereto and enactments thereof and subject to the Articles of Association of the Company and subject to such approvals / permissions / sanctions as may be necessary, the consent of the members of the Company be and is hereby accorded for the sub-division of each and every existing Equity Share of the Company of the nominal value of Rs. 10/- (Rupees Ten only) each into 2 (Two) Equity Shares of Rs. 5/- (Rupees Five only) each.

**RESOLVED FURTHER THAT** the existing Clause V of the Memorandum of Association of the Company relating to the Authorised Share Capital be and is hereby altered and amended as under:

- V. The Authorized Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 5/- (Rupees Five only) each.

**RESOLVED FURTHER THAT** pursuant to the sub-division of the Equity Shares of the Company, the paid up Equity Shares each of the face value of Rs.10/- (Rupees Ten only) presently issued and subscribed, be sub-divided into 2 (Two) Equity Shares of the face value of Rs.5/- (Rupee Five only) each fully paid up, with effect from the record date, to be determined by the Board of Directors for this purpose.

**RESOLVED FURTHER THAT** the existing Share Certificate(s) in relation to the issued Equity Share Capital held in physical form be cancelled and new Share Certificate(s) be issued in respect of the holdings of Equity Shares of the members of the Company consequent upon the sub-division of the Equity Shares as aforesaid subject to the provisions of the Companies (Issue of Share Certificates) Rules, 1960 and in the case of shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Shareholders in lieu of the existing credits representing the Equity Shares before sub-division with the respective Depositories.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee of the Board constituted or hereinafter constituted) be and is hereby authorized to issue the new Share Certificates representing the sub-divided Equity Shares consequent to the sub-division of shares as aforesaid, and/or credit the beneficiary accounts maintained with Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960 and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board of Directors (Board) / duly constituted committee of the Board, be and is hereby authorized to take such steps and actions and give such directions as it may, in its absolute discretion, deem necessary and to settle any question that may arise in this regard and to finalize and



execute all documents, deeds and writings as may be necessary, which includes but not limited to, preparing, executing and filing necessary applications/forms/returns/documents to the Registrar of Companies, Stock Exchange(s), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/or such other statutory authorities as may be necessary, from time to time, and to delegate all or any of the powers to any authorized person(s) to give effect to the above resolution and to comply with necessary formalities in this regard."

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 Sections 31 and all other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals/permissions/sanctions of the appropriate authorities, departments or bodies as may be necessary, the Articles of Association of the Company be and is hereby altered by substituting the existing Article 3 by the following:

3. The Authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association of the Company as may be altered from time to time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take such steps and actions and give such directions as it may, in its absolute discretion, deem necessary."

For and on behalf of the Board

Place : Mumbai  
Date : 25<sup>th</sup> May, 2010

**Rameshwarlal Kabra**  
Chairman

**REGISTERED OFFICE:**

Ram Ratna House, Oasis Complex,  
P.B.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 OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 (FORTY EIGHT) HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.**
2. Proxies submitted on behalf of companies, etc., must be supported by appropriate resolution/authority as applicable.
3. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Vice President (Commercial) so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
4. The Register of Members and Share Transfer Books will remain closed from Saturday, 7<sup>th</sup> August, 2010 to Friday, 13<sup>th</sup> August, 2010 (both days inclusive).
5. Additional information pursuant to Clause 49 of the Listing Agreement in respect of Directors proposed for appointment/re-appointment at the Annual General Meeting and the Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed hereto.
6. 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 Friday, 13<sup>th</sup> August, 2010 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 Friday, 6<sup>th</sup> August, 2010 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.

7. Pursuant to Section 205A and 205C of the Companies Act, 1956, all unclaimed / unpaid dividends, remaining unpaid or unclaimed for a period of seven 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 2002-2003 will be transferred to IEPF in the month of October, 2010.
8. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at Sharepro Services (India) Private Limited at 13AB, Samhita Warehousing Complex, 2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072 in respect of their physical share folios.
9. Members are requested to bring duly filled admission/ attendance slip and their copy of Annual Report to the Meeting.
10. All the documents referred in the accompanying notice and the explanatory statement will be available for inspection at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days till the date of ensuing Eighteenth Annual General Meeting.

For and on behalf of the Board

Place : Mumbai  
 Date : 25<sup>th</sup> May, 2010

**Rameshwarlal Kabra**  
**Chairman**

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

### **Item No.(s): 6 & 7**

In order to facilitate the benefits of more liquidity and accessibility of the shares of the Company, less volatility in the price of Company's shares at the stock exchanges and broad basing of small investors, it is proposed to sub-divide the value of the Equity Shares from the present Rs.10/- to Rs.5/- per share as detailed in the Resolution set out at item no. 6 of the Notice.

Accordingly, 1,50,00,000 Equity Shares of Rs.10/- each of the Company comprised in its Authorised Share Capital are proposed to be sub-divided into 3,00,00,000 Equity Shares of Rs.5/- each. The issued, subscribed and paid-up Capital of the Company, as existing on the Record Date for the purpose of sub-division of Equity Shares, will accordingly be sub-divided into Equity Shares of face value of Rs.5/- each fully paid-up with effect from the record date and consequently fully paid-up share capital of the Company of Rs. 11,00,00,000/- would be divided into 2,20,00,000 Equity shares of Rs.5/- each fully paid-up.

The sub-division of equity shares shall also require necessary amendment to the Capital Clause in the Memorandum of Association of the Company and consequently approval of Shareholders by an ordinary resolution in terms of Section 16 and 94 of the Companies Act, 1956.

Your Directors recommend the resolution as set out at Item No. 6 in the Notice for your approval.

All the Directors of the Company shall be deemed to be concerned or interested in the said resolution to the extent of their respective shareholding in the Company either by themselves or through their relatives.

In view of the proposed sub-division of the Equity Shares of the Company, the Article 3 of the Articles of Association with regard to Authorised Share Capital of the Company would require necessary amendment. As per the provisions of Section 31 of the Companies Act, 1956, amendment in Articles of Association would require approval of Shareholders by a Special resolution.

Hence, your Directors recommend the resolution as set out at Item No. 7 in the Notice for your approval.

None of the Directors of the Company are, in any way, concerned or interested in the said resolution.