

2016 - 17

25TH ANNUAL REPORT

RAM RATNA WIRES LTD



25th ANNUAL GENERAL MEETING

Day & Date : Saturday, 16th September, 2017

Venue : Sun Ville,
9, Dr. Annie Besant Road,
Worli,
Mumbai - 400 018

Time : 11:30 a.m.

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COMPANY INFORMATION

BOARD OF DIRECTORS

| | |
|----------------------------|-------------------------|
| Shri Rameshwarlal Kabra | Chairman |
| Shri Tribhuvanprasad Kabra | Managing Director |
| Shri Mahendrakumar Kabra | Joint Managing Director |
| Shri Satyanarayan Loya | Director |
| Smt. Kirtidevi Kabra | Director |
| Shri Mukund Chitale | Independent Director |
| Dr. Ajai Singh | Independent Director |
| Shri Sandeep Jhanwar | Independent Director |
| Shri R. Kannan | Independent Director |
| Shri Prashant Deshpande | Independent Director |

REGISTERED OFFICE

Ram Ratna House,
Oasis Complex, P.B. Marg, Worli,
Mumbai - 400 013
Website: www.rrshramik.com
CIN : L31300MH1992PLC067802

CORPORATE OFFICE

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

WORKS

1) Salasar Copper

Survey No. 142/2,
Madhuban Dam Road,
Village : Rakholi, Silvassa - 396 240
U.T. of Dadra & Nagar Haveli

2) Salasar Copper (Unit -2)

Survey No. 212/2,
Near Dadra Check Post,
Village : Dadra, Silvassa - 396 193
U.T. of Dadra & Nagar Haveli

STATUTORY AUDITORS

V.C. Darak & Associates
Chartered Accountants

SECRETARIAL AUDITOR

Khanna & Co.
Practicing Company Secretaries

COST AUDITORS

Poddar and Company
Cost Accountants

CHIEF FINANCIAL OFFICER

Shri Hemant Kabra

AVP (Finance & Accounts) and Company Secretary

Shri Madan Vaishnawa

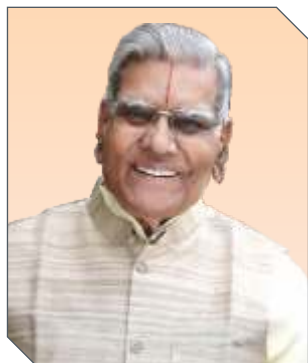
BANKERS

| | |
|-------------------------|-----------------------------|
| State Bank of India | Kotak Mahindra Bank Limited |
| Corporation Bank | Yes Bank |
| Allahabad Bank | RBL Bank |
| Standard Chartered Bank | HDFC Bank |

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Private Limited,
1st Floor, Bharat Tin Works Building,
Makwana Road
Marol, Andheri (E),
Mumbai - 400 069.

BOARD OF DIRECTORS



Shri Rameshwarlal Kabra
Chairman



Shri Tribhuvanprasad Kabra
Managing Director



Shri Mahendrakumar Kabra
Joint Managing Director



Shri Satyanarayan Loya
Director



Smt. Kirtidevi Kabra
Director



Shri Mukund Chitale
Independent Director



Shri Sandeep Jhanwar
Independent Director



Shri R. Kannan
Independent Director



Shri Prashant Deshpande
Independent Director



Dr. Ajai Singh
Independent Director



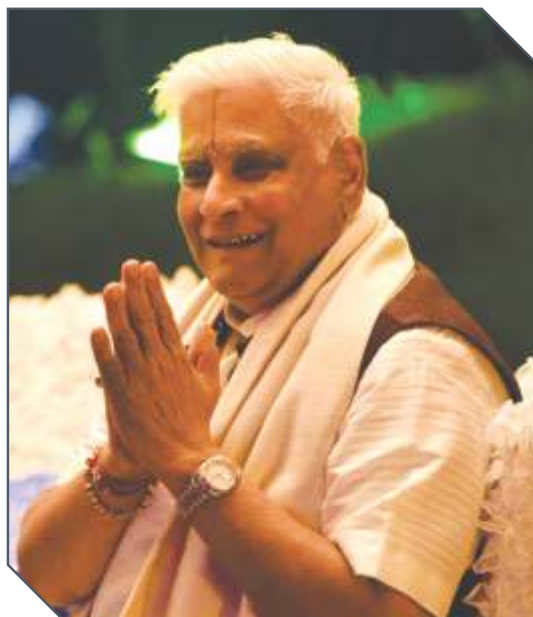
Shri Hemant Kabra
Chief Financial Officer

FINANCIAL HIGHLIGHTS -- Standalone

(₹ In Lakhs)

| Description | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| A. Operating Results: | | | | | | | | |
| Gross Sales and related income | 89,033.73 | 80,124.86 | 82,704.27 | 77,579.77 | 76,280.07 | 61,305.92 | 54,601.96 | 43,871.44 |
| Net Sales and related income | 80,097.48 | 71,904.81 | 74,091.18 | 69,859.49 | 68,550.34 | 56,031.24 | 49,901.91 | 40,536.25 |
| Other Income | 161.34 | 170.24 | 230.53 | 112.48 | 101.09 | 106.39 | 39.44 | 31.54 |
| Net Profit before Taxation | 3,310.86 | 1,447.32 | 1,508.38 | 1,080.40 | 1,263.79 | 710.56 | 1,448.75 | 1,788.39 |
| Provision for Taxation | 1,152.55 | 512.59 | 526.18 | 387.47 | 394.42 | 201.93 | 501.61 | 617.70 |
| Net Profit after Taxation | 2,158.31 | 934.73 | 982.20 | 692.93 | 869.37 | 508.63 | 947.14 | 1,170.69 |
| B. Financial Position: | | | | | | | | |
| Fixed Assets (Net) | 7,189.94 | 5,203.73 | 4,590.28 | 4,599.22 | 4,649.64 | 4,711.49 | 4,584.13 | 3,053.16 |
| Non- Current Assets | 963.28 | 643.57 | 729.90 | 655.86 | 462.23 | 384.60 | 1,502.47 | 1,536.14 |
| Current Assets | 21,553.35 | 14,830.97 | 15,376.86 | 15,155.85 | 16,136.54 | 12,518.65 | 9,665.74 | 8,736.77 |
| Investments | 284.29 | 284.29 | 284.42 | 251.91 | 206.19 | 146.75 | 43.88 | 40.00 |
| TOTAL ASSETS | 29,990.86 | 20,962.56 | 20,981.46 | 20,662.84 | 21,454.60 | 17,761.49 | 15,796.22 | 13,366.07 |
| Share Capital | 1,100.00 | 1,100.00 | 1,100.00 | 1,100.00 | 1,100.00 | 1,100.00 | 1,100.00 | 1,100.00 |
| Reserves and Surplus | 8,437.00 | 6,278.69 | 5,542.55 | 4,848.52 | 4,348.63 | 3,671.03 | 3,354.17 | 2,663.57 |
| SHAREHOLDERS' FUND | 9,537.00 | 7,378.69 | 6,642.55 | 5,948.52 | 5,448.63 | 4,771.03 | 4,454.17 | 3,763.57 |
| Non-Current Liabilities | 3,001.13 | 1,224.04 | 1,338.40 | 1,239.27 | 1,249.70 | 1,327.70 | 1,524.10 | 6,848.89 |
| Current Liabilities | 17,131.28 | 12,057.74 | 12,658.63 | 13,079.33 | 14,351.01 | 11,235.27 | 9,435.75 | 2,424.39 |
| Deferred Tax | 321.45 | 302.09 | 341.88 | 395.72 | 405.26 | 427.49 | 382.20 | 329.22 |
| TOTAL CAPITAL EMPLOYED | 29,990.86 | 20,962.56 | 20,981.46 | 20,662.84 | 21,454.60 | 17,761.49 | 15,796.22 | 13,366.07 |
| C. Equity Share Data: | | | | | | | | |
| Earning per share (₹) | 9.81 | 4.25 | 4.46 | 3.15 | 3.95 | 2.31 | 4.31 | 10.64 |
| Book value (₹) | 43.35 | 33.54 | 30.19 | 27.04 | 24.77 | 21.69 | 20.25 | 36.55 |
| Final/Interim Dividend (%) | 25.00 | 15.00 | 20.00 | 15.00 | 15.00 | 15.00 | 20.00 | 20.00 |
| Number of Shares (in Lakhs) | 220.00 | 220.00 | 220.00 | 220.00 | 220.00 | 220.00 | 220.00 | 110.00 |

Managing Director's Message



Dear Shareholders,

I am very happy to present the 25th Annual Report 2016-17 of Ram Ratna Wires Limited. It has been a spectacular year of all-round performances and achievements. It was a year, when your company posted record sales and profits. We have made significant progress on various initiatives and projects that we had set out to achieve. 2016-17 was yet another year of robust performance and growth.

During Financial Year 2016-17 your Company achieved a noteworthy growth of 11% in turnover, with net sales going to ₹ 80,097.48 lakhs from ₹ 71,904.81 lakhs in Financial Year 2016-17. PAT for the Financial Year 2016-17 was a whopping ₹ 2,158.31 lakhs, up by a phenomenal 131% compared to that of the last financial Year. Our motive has always been to achieve sustainable growth - both organic and inorganic. In line with this thought process, the Company proposes to acquire 60% stake in Global Copper Private Limited (GCPL). GCPL is a Vadodara based company into manufacturing of Level Wound Coil (LWC), Copper Tubes and Pancake Copper Tubes. It is a fully-automatic, state of the art manufacturing facility, with a production capacity of 4,000 Metric Tonnes per annum. With the acquisition of a majority stake in GCPL, your Company aims to strengthen its product basket. We foresee a huge demand for the GCPL product line in years to come. With the Make in India initiative of our hon'ble Prime Minister gaining momentum, we look to replace this largely imported product segment with the products from GCPL.

Financial year 2016-17 was one of the most challenging years for one and all. With struggling global economies, geo-political instability and demonetization, your company managed to very successfully chart its way and post a growth, both in the domestic and overseas markets. Our Marketing and Sales team deserve a huge applause for their magnificent effort. The Government's ambitious plans for growth in infrastructure, construction, power, ports, oil & refinery sectors and its decision to revive the stalled power and fertilizer projects, continue to boost industry and consumer confidence. This augurs so very well for our company.

There will always be reasons for a good performance and excuses for the failures, but your company's maxim of believing in Top and consistent Quality will carry forward the success story. This insistence on NOTHING BUT THE BEST QUALITY has brought us to where we are and will take us to further glory. Quality is a sure shot recipe for growth and value addition to the benefit of our customers and stake holders. We stay committed to a profitable, sustainable growth in years to come, by upholding highest level of corporate governance and integrity.

With an expert, aggressive R & D team, innovation is a continual process in your company. The opportunity matrix, as is evident, is huge, and your Company is well prepared to grab a large chunk of the ever growing pie. As we gear up to meet the immense opportunities across sectors, segments and geographies, we shall continue to diversify, scale up our manufacturing & technological prowess.

The implementation of the new Goods and Services Tax (GST) regime from July 1, 2017 will transform the way business is done in India. We are ready for the change. The GST implementations might pose some teething problems and an economic slowdown initially. But, in the long run it will lead to more efficient tax collections ensuring sustainable & fast growth of economy.

Nurturing, training and empowering our people to better skills, to be able to take on opportunities as they unfold, is high on our agenda. We aim to responsibly move forward with an increasing focus on CSR activities, aimed at holistic value creation for our stakeholders and the nation at large.

On this positive note, I would like to thank all stakeholders, our vendors, customers, bankers, financial institutions, Government bodies, dealers, business associates and employees, for their continued trust and support. We are committed to enhance the relationship we have created over the years, to continue to make our business a win-win proposition for all.

With warm regards

Thank you and Jai Hind.

Tribhuvanprasad Kabra
Managing Director
DIN - 00091375

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Company will be held at Sunville, 9, Dr. Annie Besant Road, Worli, Mumbai-400 018 on Saturday, 16th September, 2017 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017, together with the Report of the Auditors thereon.
2. To declare a final dividend on Equity Shares for the financial year ended 31st March, 2017.
3. To appoint a Director in place of Smt Kirtidevi Kabra (DIN 00150796), who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment.
4. To appoint M/s. Bhagwagar Dalal & Doshi, Chartered Accountants (Firm Registration Number - 128093W), as Statutory Auditors of the Company in place of M/s. V.C. Darak & Associates, Chartered Accountants, (Firm Registration No. 119336W), the retiring Statutory Auditors and to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Bhagwagar Dalal & Doshi, Chartered Accountants (Firm Registration Number - 128093W) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of the twenty-fifth Annual General Meeting, until the conclusion of the thirtieth Annual General Meeting, subject to ratification by members at every Annual General Meeting and the Board of Directors be authorised to fix the remuneration for the Statutory Auditors for the financial year 2017-18.

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company, be and are hereby severally authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be considered necessary, proper, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS

5. 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 the Nomination & Remuneration Committee and pursuant to Section 196, Section 197, and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and pursuant to rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and all other applicable provisions of the Companies Act, 2013, Shri Mahendrakumar Kabra, Joint Managing Director, be paid a revised remuneration 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 Mahendrakumar Kabra but subject to the provisions contained in Schedule V to the Companies Act, 2013, as amended from time to time.

 - a) Salary: ₹ 4,00,000/- per month for the remainder of his term w.e.f. 1st December, 2016 with an increment not exceeding 20% per annum at the discretion of the Board of Directors of the Company.
 - b) Commission based on the net profits of the Company in a particular year which shall be within the overall limits laid down in Section 197 of the Companies Act, 2013 read with Schedule V 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) Provision for use of company car for official duties and telephone at residence (including payment of local calls and long distance official calls).

The perquisites referred to in para (ii) will not be included in the computation of ceiling on remuneration.

RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Joint Managing Director shall be governed by Section II of Part II of Schedule V to the Companies Act, 2013 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Joint Managing Director.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such actions, and do all such things as may be necessary or desirable to give effect to this resolution."

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 Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Poddar & Co., Cost Accountants (Firm Registration No. 101734) appointed as the Cost Auditors of the Company for conducting audit of the cost records for the financial year ending 31st March, 2018, be paid remuneration not exceeding ₹ 400,000 (Rupees Four Lakhs only) excluding service tax and reimbursement of out of pocket expenses at actuals, if any, incurred in connection with the audit.

RESOLVED FURTHER THAT the Managing Director and/or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution".

By Order of the Board

Place: Mumbai

Date: 30th May, 2017

REGISTERED OFFICE:

Ram Ratna House, Oasis Complex, P.B.Marg, Worli, Mumbai-400 013

CIN: L31300MH1992PLC067802

E-MAIL: investorrelations@rrglobal.in

Madan Vaishnawa

AVP (Finance & Accounts) and Company Secretary

ACS 19127

NOTES:

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll instead of himself/ herself and such a proxy need not be a Member of the Company. Proxies in order to be effective must be received by the company not less than forty-eight hours before the meeting. A person can act as proxy for only 50 members and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. Member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
2. The Register of Members and Share Transfer Register will remain closed from Saturday, 9th September, 2017, to Saturday, 16th September, 2017 (both days inclusive).
3. The Final Dividend for the financial year ended 31st March, 2017, as recommended by the Board, if approved at the Annual General Meeting, will be paid on and from Thursday, 21st September, 2017 to those Members whose name appears in the Register of Members of the Company as on the book closure date.
4. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Company so as to reach the Registered Office of the Company at least ten days before the date of the Meeting to enable the Company to make available the relevant information and answer them in the Meeting.
5.
 - i) Members holding shares in physical form are requested to immediately intimate any change in their residential address to Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400 059, Registrars and Transfer Agent of the Company, so that change could be effected in the Register of Members before closure.
 - ii) Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or e-mail address immediately to their respective Depository Participants.
 - iii) The Government took a 'Green Initiative in Corporate Governance' in 2011 by allowing the Companies to service the documents to its Members through electronic mode. Accordingly, the Company sends all communication including the Notice along with Annual Report in electronic form to all Members whose e-mail Id's are registered with the Company/ Depository Participant(s) unless a specific request for hard copy has been requested. Members are requested to update their e-mail Id's with the Company for receiving the notices and other documents at their e-mail address.
 - iv) Members who have not opted for ECS facility earlier are requested to fill up the mandate form and send it to the Registered Office of the Company to avail the ECS facility otherwise they are requested to intimate their Savings Account