



## Expansion in progress at, Rajratan Thailand



FINANCIAL HIGHLIGHTS							
₹ in Crores							
S.N.	Year	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
1	Sales	228.44	261.60	254.72	218.33	199.70	176.03
2	Gross Profit (Before Depreciation And Tax)	17.70	12.61	14.23	13.59	12.30	15.53
3	Depreciation	3.07	3.04	3.85	3.73	3.58	3.34
4	Profit Before Taxation	14.63	9.56	10.38	9.86	8.72	12.19
5	Current Taxation	5.03	3.12	3.47	3.25	2.52	3.84
6	Deferred Taxation	(0.04)	0.06	(0.33)	(0.19)	0.27	0.29
7	Fringe Benefit Tax	0.00	0.00	0.00	0.00	0.00	0.00
8	Profit After Taxation	9.64	6.38	7.24	6.80	5.93	8.06
9	Dividend	0.52	0.43	0.43	0.43	0.52	0.65
10	Gross Fixed Assets	81.65	77.57	76.67	74.58	74.71	69.60
11	Net Fixed Assets	42.57	40.87	42.92	44.64	47.75	46.11
12	Investments	38.93	38.93	34.16	23.90	23.90	23.90
13	Non Current Assets	10.93	11.18	3.20	8.03	7.14	0.87
14	Net Current Assets /(Liabilities)	58.71	65.42	59.17	58.69	56.38	46.49
15	Net Assets	151.14	156.40	139.45	135.26	135.17	117.37
16	Share Capital	4.35	4.35	4.35	4.35	4.35	4.35
17	Reserves & Surplus	86.52	77.51	72.54	65.82	59.52	54.20
18	Net Worth	90.87	81.85	76.90	70.17	63.87	58.55
19	Loan Funds	50.84	66.45	54.12	56.33	62.35	50.14
20	Deferred Tax Liability	8.03	8.08	8.43	8.76	8.95	8.68
21	Earning Per Share	22.15	14.66	16.63	15.63	13.63	18.51
22	Dividend Per Share	1.20	1.00	1.00	1.00	1.20	1.50
23	Book Value Per Share	208.81	188.10	176.70	161.24	146.78	134.55

## CONTENTS

## Page No.

Company Information	2
Notice of AGM	3
Board's Report	7
Report on Corporate Governance	23
Management Discussion and Analysis	31
Auditors' Report	34
Balance Sheet & Profit and Loss a/c	36
Cash Flow Statement	38
Notes to Accounts	39
<b>Consolidated Accounts</b>	
Auditors' Report	52
Balance Sheet & Profit and Loss A/c	53
Consolidated Cash Flow Statement	55
Notes on Consolidated Accounts	56

---

## **RAJRATAN GLOBAL WIRE LTD.**

### **BOARD OF DIRECTORS**

Mr. Sunil Chordia	Managing 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 & Whole Time Director

\* Resigned on 30.10.2015

### **COMPANY SECRETARY**

CS Shubham Jain

### **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. Yashovardhan Chordia	Whole Time Director
Mr. B.K. Reddy	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. Phichat 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 Chetsamein  
Amphur Potharam, Ratchaburi 70120  
Thailand  
Phone : +6632375841, +6632375843-844  
Fax : +6632375840



## NOTICE TO MEMBERS

Notice is hereby given that the **Twenty Eighth Annual General Meeting** of the Members of the Company will be held on Tuesday the 26th day of July, 2016 at 2.00 p.m. at the registered office at "Rajratan House" 11/2, Meera Path, Dhenu Market, Indore, Madhya Pradesh - 452 003, the route map of which is given at back page, to transact the following:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2016, together with the Reports of the Board and Auditors thereon.
2. To declare dividend of ₹ 1.20 per equity share (@12%) for the financial year 2015-16.
3. To appoint a Director in place of CA P.D. Nagar (DIN-00151621), who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in place of CA Abhishek Dalmia (DIN-00011958), who retires by rotation, and being eligible, offers himself for reappointment.
5. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s Fadnis & Gupte, Chartered Accountants (ICAI Firm Registration No. 006600C), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017 at such remuneration, out-of-pocket, travelling and other expenses incurred by them in connection with audit of accounts of the company, as may be mutually agreed between the Audit Committee/Board of Directors and the Auditors."

### SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the financial year 2016-17 to M/s. Vineet Chopra and Associates, Practicing Cost Accountants (FRN No. 102670) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2017, amounting to ₹ 50,000/- and re-imbursement of out of pocket expenses to be incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.  
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

of Directors or Director(s) to give effect to the aforesaid resolution.

By the order of Board  
**SHUBHAM JAIN**  
 Company Secretary

Dated: 11<sup>th</sup> May 2016  
 Indore

### NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE**

### COMPANY.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

A proxy, in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the meeting. A blank proxy form is enclosed.

A member entitled to attend and vote at this meeting is entitled to participate in the voting process through e-voting, as per the section 108 of the Companies Act, 2013.

2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 20th July, 2016 to 26th July, 2016 (both days inclusive).
4. The payment of dividend of ₹ 1.20 per equity share, if declared at the said meeting, will be made to those shareholders whose names shall appear on the Company's Register of Members on 19th July, 2015 or to their nominees. In respect of shareholding in dematerialized form, dividend will be paid to the beneficial owners as per details to be furnished by the Depositories for the purpose. Dividend warrants will be dispatched or credit will be given under National Electronic Clearing Services (NECS)/ Electronic Clearing Services (ECS) as the case may be, subject to the availability of bank account details etc. as required. Members holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent, M/s Link Intime India Private Limited.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/ Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA.
6. Members are requested to notify any change of address-  
 a. To their depository participants (DP) in respect of shares held in dematerialized form, and  
 b. To Registrar and Share Transfer Agent of the Company- M/s. Link Intime India Private Limited C-13 Pannalal Silk Mills Compound L.B.S. Marg Mumbai - 400078 Ph: 022-25946970, in respect of shares in physical form, to notify their change of address/residential status/email-id, bank details etc., if any, under their signatures and quoting respective folio number.
7. Those members who have not received/encashed dividend warrants for the financial years 2008-09 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.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of

attendance at the meeting.

10. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
11. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary in advance at least 7 days before the date of meeting so that the information called for can be made available at the meeting.
12. Kindly bring your copy of the Annual Report to the meeting.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s Link Intime India Pvt. Ltd. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.
14. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for the financial period ended on 31.03.2016 will also be available on the Company's website [www.rajratan.co](http://www.rajratan.co) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Indore for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investor@rajratan.co.in](mailto:investor@rajratan.co.in)
15. The register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
16. The register of Contracts or Arrangements in which Directors are interested, maintained under section 189 of the companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company.
18. As per the provision Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of directors eligible for re-appointment at the 28th Annual General Meeting are given separately in the notice.
19. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to him at the registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: [investor@rajratan.co.in](mailto:investor@rajratan.co.in)
20. **The instructions and other information relating to e-voting Voting through electronic means**
  - I. In compliance with provisions of Section 108 of the Companies

Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).

- II. The facility for voting through ballot paper/Poll paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper/poll paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The Board of Directors of the company has appointed Ms. Manju Mundra, Practicing Company Secretary, Indore as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- V. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 19th July, 2016. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to avail the facility of e-voting/Ballot Form.
- VI. Any person who become members of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 19th July, 2016, may obtain the User ID and password for e-voting by sending email intimating DP ID and Client ID / Folio No. at [evoting@cdsl.co.in](mailto:evoting@cdsl.co.in) or can vote through ballot paper to be downloaded from the Company's website [www.rajratan.co.in](http://www.rajratan.co.in). However the duly completed Ballot form should reach the scrutiniser Ms. Manju Mundra, Practising Company Secretary at 41, Krishi Vihar Colony, Near Tilak Nagar, Indore-452001, not later than Monday, 25th July, 2016 (5.00 P.M.). Ballot Paper received after this date will be treated as invalid.
- VII. The e-voting facility will be available during the following period:  
Commencement of e-voting: From 9.00 a.m. (IST) on 23rd July, 2016  
End of e-voting: Up to 5.00 p.m. (IST) on 25th July, 2016
- VIII. The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.
- IX. The Scrutinizer, after scrutinising the votes cast at the meeting (Poll) and through e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.rajratan.co.in](http://www.rajratan.co.in) and on the website of CDSL [evoting@cdsl.co.in](http://evoting@cdsl.co.in). The results shall simultaneously be communicated to the Stock Exchanges.
- X. Subject to receipt of requisite number of votes, the Resolutions

shall be deemed to be passed on the date of the Meeting, i.e. 26th July, 2016.

**XI. The process and manner for remote e-voting are as under:**

- (i) The remote e-voting period begins on 23rd July, 2016 (9.00 A.M.) and ends on 25th July, 2016 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 19th July, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Rajratan Global Wire Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

- (xix) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**21. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 -**

**Item No. 6.**

As per notification issued by Ministry of Corporate Affairs for amendment in Companies (Cost Records and Audit) Rules, 2014

dated December 31, 2014, audit of cost records of the company is mandatory.

Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s Vineet Chopra, Practicing Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended March 31, 2017.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for

ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017. The Board recommends the resolution set forth in Item No. 6 for approval of the members.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested, financially or otherwise in the resolution.

By order of the Board  
**Shubham Jain**  
Company Secretary

Dated: 11th May, 2016

Place: Indore

**Registered office-**

‘Rajratan House’

11/2 MEERA PATH

Dhenu Market, Indore

**Additional information pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for re-appointment vide item No. 3 and 4 is as follows:**

<b>Nature of information</b>	<b>Item No. 3 of notice</b>	<b>Item No. 4 of notice</b>
Name	CA P. D. Nagar	CA Abhishek Dalmia
Date of Birth	2nd February, 1945	6th May, 1969
Director of Company Since	10.07.2003	11.06.2005
Educational Qualification	B. Com., FCA, LLB	B.Com (Hons), FCA, ACMA
Expertise in functional areas	Mr P.D. Nagar is learned practicing Chartered Accountant and holds experience of almost five decades in the field of audit, finance, taxation and corporate laws.	Mr. Abhishek Dalmia is a value investor. He provides strategic direction to the companies in which he has made investment. His expertise lies in giving strategic direction the senior management of the investee companies on various aspects of the business.
Directorship held in other listed entities	Nil	Revathi Equipment Limited
Membership/Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee)	Member / Chairman in following committees in Rajratan Global Wire Ltd.- 1. Audit Committee - Member 2. Stakeholder Relationship Committee - Chairman 3. Nomination & Remuneration Committee - Chairman	Member / Chairman in following committees- 1. Audit Committee - Member - Aditya Infotech Ltd. 2. Stakeholder Relationship Committee - Member - Avalokiteshvar Valinv Ltd. 3. Share Transfer Committee - Member - Avalokiteshvar Valinv Ltd. 4. Nomination and Remuneration Committee - Member - Ashiana Housing Limited & Aditya Infotech Ltd.
No. of shares held in company	1500	Nil
Relationship with any Director(s) of the Company	Nil	Nil



## BOARD'S REPORT

To

The members,

Your Directors present the "Twenty Eighth" Annual Report on the business and operations of the Company along with the audited standalone and consolidated financial statements for the year which ended on March 31, 2016.

**1. Financial Results:**

	(₹ In Lacs)			
	STANDALONE		CONSOLIDATED	
	2015-16	2014-15	2015-16	2014-15
<b>Profit before Depreciation, Interest &amp; Tax</b>	<b>2,588.20</b>	<b>2,167.66</b>	<b>4272.40</b>	<b>2,569.90</b>
Interest & Financial Charges	817.67	906.35	1469.46	1,405.77
<b>Profit before Depreciation</b>	<b>1,770.53</b>	<b>1,261.31</b>	<b>2802.94</b>	<b>1,164.13</b>
Less: Depreciation	307.51	304.84	677.21	674.59
Profit before Taxation & Exceptional Items	1,463.01	956.47	2125.73	489.54
Less: Provision for Taxation				
- Current Tax	518.00	307.50	517.55	307.50
- Deferred Tax	(4.32)	5.91	(4.82)	5.50
Income Tax for earlier years	(14.73)	4.92	(14.73)	4.92
<b>Profit After Tax</b>	<b>964.07</b>	<b>638.14</b>	<b>1627.72</b>	<b>171.62</b>
<b>Less: Minority Interest</b>	<b>-</b>	<b>-</b>	<b>(19.24)</b>	<b>(9.75)</b>
<b>Profit for the year</b>	<b>964.07</b>	<b>638.14</b>	<b>1646.97</b>	<b>181.37</b>
Add: Surplus of Previous Year	3235.90	2,759.99		(412.89)
Less: Adjustment towards depreciation based on useful life of assets and consequential Deferred Tax	-	90.00		91.20
<b>Amount available for appropriation</b>	<b>4,199.98</b>	<b>3,308.12</b>	<b>1,253.06</b>	<b>(321.69)</b>
<b>Appropriations:</b>				
Proposed Dividend	52.22	43.52	52.22	43.52
Dividend Tax	10.63	8.70	10.63	8.70
Transfer to General Reserve	700.00	20.00	700.00	20.00
Balance carried to Balance Sheet	3,437.13	3,235.90	490.21	(393.91)

**2. Overview of Company's Financial Performance:**

The company's performance during Financial Year 2015-16 on standalone and consolidated basis was as follows -

**A. On standalone basis:**

Revenue from operations for Financial Year 2015-16 was at ₹ 20823.17 Lacs (previous year ₹ 23999.78 Lacs). PBDIT from standalone activity of the company increased from ₹ 2167.66 Lacs from the previous year to ₹ 2588.20 Lacs this year. The Profit before tax is ₹ 1463.01 Lacs as against ₹ 956.47 Lacs in the previous year. Cash profit stood at ₹ 1770.51 against ₹ 1261.31 Lacs in the previous year.

**B. Consolidated Revenue:**

The consolidated Revenue of company during the year was ₹ 28358.97 Lacs as compared to ₹ 27453.51 Lacs in the previous year. The consolidated Profit before tax increased to ₹ 2125.73 Lacs as against ₹ 489.54 Lacs in the previous year. The final profit after tax and minority interest stood at ₹ 1646.96 Lacs against ₹ 181.37 Lacs in previous year.

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the Financial Year 2015-16 and the date of this report.

**3. Economic Scenario:**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). Amid global uncertainty, the Indian economy continued to restore its macroeconomic stability. India's GDP grew by 7.6% in 2015-16, making it one of the fastest growing major economies in the world.

According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17, despite the uncertainties in the global market. The improvement in India's economic

fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices. It has been forecasted that India will witness a GDP growth rate of 7.5 per cent in 2016, due to improved investor confidence, lower food prices and better policy reforms.

The present Government is following the approach of 'Reform to Transform India' through far reaching structural reforms to foster strong and sustainable growth. Measures, inter alia, to enhance infrastructure investment, incorporation of Bankruptcy law, improve business climate and significant tax reforms such as GST are being pushed forward. Initiatives such as Make-in-India, Startup India - Standup India etc. are focused at encouraging innovations, entrepreneurship and job creation.

**4. Prospects and Outlook:**

At the beginning of Financial Year 2015-16, India was believed to be in a sweet spot with a strong political mandate and a favorable external environment. Expectations were running high on major reforms which were expected to push the Indian economy on an overdrive. While no major reforms got implemented during the year, incremental improvements have helped the economy. As we begin the Financial Year 2016-17, the overall economic outlook remains uncertain. Government's focus on infrastructure development, investment in highways, and implementation of GST will give boost to the industry.

Looking at the positive economic outlook for the current year, your company is making efforts to increase the sales. We are continuously working to strengthen relationship with customers in India, Thailand and other export destinations.

The outlook of business in Thailand is positive because of major customer approvals and winning customer confidence. We are expecting a major improvement in Thailand business in the current year.

**5. Dividend:**

Your Directors have recommended a higher dividend, as compared to last year, of ₹ 1.20 per equity share of ₹ 10/- each i.e. @ 12% for the financial year ended 31st March, 2016. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting to be held on 26th July, 2016. The total dividend appropriation for the current year is ₹ 62.85 Lacs (inclusive of corporate dividend tax of ₹ 10.63 Lacs).

**6. Transfer to Reserves:**

The Company proposes to transfer ₹ 700.00 Lacs to the General Reserve out of the amount available for appropriation and ₹ 3437.12 Lacs is proposed to be retained in the Profit and Loss Account.

**7. Share Capital:**

There is no change in the share capital of the Company during the year which ended on 31st March, 2016.

**8. Subsidiary Companies:**

The company has two subsidiaries including one wholly owned subsidiary in Thailand. There is no associate company within the meaning of Section 2(6) of the Companies Act, 2013("Act"). There has been no change in the nature of the business of the subsidiaries.

Pursuant to Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the company. Pursuant to section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of the subsidiaries, are available on the website of the company (www.rajratan.co.in). Performance of the subsidiaries during the year, was below -

a) **Rajratan Thai Wire Co. Limited, Thailand:** The continued efforts of Rajratan Thailand Team, the operations resulted in substantial profits during the Financial Year 2015-16. For the first time since inception, Rajratan Thailand made net profit.

Rajratan, Thailand has recorded the growth of 37% in sales volume i.e. 17110.11 MT as compared to 12452.44 MT in previous year, on account of continued efforts. The Net revenue of the company during the year increased by 31% from ₹ 7313 Lacs in the previous year to ₹

9568 Lacs in this year. There is Profit of ₹ 7.15 Crore as against Loss of ₹ 4.29 Crore in the previous year. The cash profit earned is ₹ 10.70 Crores as against cash loss of ₹ 74 Lacs in the previous year.

- b) **Swaraj Technocrafts Pvt. Limited, Indore:** Financial Year 2015-16 remained tough for Swaraj. Though the total revenue increased to ₹ 710.18 Lacs, Swaraj recorded loss of ₹ 60.12 Lacs against loss of ₹ 30.47 Lacs in last year.

#### 9. Directors' responsibility statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- they 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 at the end of the financial year and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 10. Deposits:

The Company has not accepted any fixed deposit from the public during the Financial Year ended 31st March, 2016 within the meaning of section 73 and 74 of the Companies Act, 2013 read with the relevant rules.

#### 11. Listing:

The shares of the Company are listed on the Bombay Stock Exchange Limited, and the Company is regular in the payment of the listing fees. There was no suspension of trading during the year under review. The Company has made an application for listing on the National Stock Exchange, Mumbai which is under consideration.

The Securities and Exchange Board of India (SEBI) on September 2, 2015 issued SEBI (Listing Obligations and Disclosure Requirements) 2015 which were effective from December 1, 2015. Accordingly all listed companies were required to enter into Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with BSE Limited during the specified period.

#### 12. Conservation of Energy, Technology and Foreign Exchange Earnings and outgo:

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts of Companies) Rules, 2014 are set out in an "Annexure-I" to this report.

#### 13. Corporate Social Responsibility

Your company is committed to the sustainable development, inclusive growth and bringing about a perceptible change in the lives of communities on the embedded tenets of trust, fairness and caring. The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in "Annexure- II" of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

#### 14. Directors and Key Managerial Personnel

In accordance with the provisions of section 152 the Companies Act, 2013 and the Articles of Association of the company CA P.D. Nagar & CA Abhishek Dalmia shall retire by rotation at the ensuing AGM and being eligible offered themselves for re-appointment. The brief resume of the Directors and other related information has been detailed in the Notice convening the AGM of the Company. During the year, the non-

executive directors of the Company had no pecuniary relationship or transactions with the Company.

The Independent Directors of your Company shall hold office upto 25th August, 2019 and are not liable to retire by rotation.

Mr. Sunil Chordia, Managing Director, who was re-appointed in the last AGM, and Mr. Shubham Jain, Company Secretary, are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force). However the Company has not appointed Chief Financial Officer of the Company.

Mr. Deepesh Trivedi, who was appointed as Whole Time Director & COO of the company on January 21, 2008, had resigned from the Board w.e.f. October 30th, 2015. The Board of Directors recorded their appreciation for the services rendered by Mr. Deepesh Trivedi during his tenure.

#### 15. Number of Meetings of the Board

Four meetings of the board were held during the year. The details of the meetings of the Board of Directors and its committees, convened during the Financial Year 2015-16 are given in the corporate governance report, which forms part of this Annual Report.

#### 16. Board Evaluation

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Independent Directors was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

The performance of the Board was evaluated after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the Board as a whole was evaluated.

#### 17. Audit Committee:

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

#### 18. Policy on directors' appointment and remuneration and other details:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report as "Annexure-III."

#### 19. Managerial Remuneration and particulars of employees:

Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a disclosure on remuneration related information of employees, Key Managerial Personnel and directors is annexed herewith and forming part of the report as "Annexure-IV." The Managing Director of your Company does not receive remuneration from any of the subsidiaries of your Company.

#### 20. Transactions with related parties

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "Annexure-V" in Form AOC-2 and the same forms part of this report.

## 21. Extract of Annual Return

As provided under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the annual return is given in Annexure-VII in the prescribed Form MGT-9, which forms part of this report.

## 22. Loans, Guarantees and Investment:

The company has given loans to or guarantees in favour of its Wholly-Owned Subsidiary Rajratan Thai Wire Limited, Thailand which is exempted under the provisions of section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014.

## 23. Auditors:

### a) Statutory Auditors:

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s Fadnis & Gupte, Chartered Accountants, Indore were appointed as statutory auditors of the Company from the conclusion of the Twenty Sixth annual general meeting (AGM) of the Company held on 26th September, 2014 till the conclusion of the twenty ninth AGM to be held in the year 2017, subject to ratification of their appointment at every AGM. Accordingly the appointment of M/s Fadnis & Gupte, Chartered Accountants, Indore (Firm Registration No.- 006600C), as Statutory Auditors of the Company, is placed for ratification by the shareholders.

### b) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Manju Mundra, Company Secretary in Practice (CP No. 3454) to conduct the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure-VI."

### c) Cost Auditors:

The Board of your Company has appointed M/s. Vineet Chopra & Associates (FRN No. 102670) as the Cost Auditor of the Company for Financial Year 2015-16 pursuant to provisions of Section 148 of the Companies Act 2013. The Cost Auditor shall submit the report along with their observations and suggestions, and Annexure to the Central Government within stipulated time period.

The Cost Audit Report of the Company for the financial year ended 31st March, 2015, was filed with the Ministry of Corporate Affairs, New Delhi within the stipulated time.

## 24. Statutory Auditor's Report and Secretarial Audit Report:

The Statutory Auditors report for the financial year ended 31st March, 2016 does not contain any qualification, reservation or adverse remark. The observations made by secretarial auditors are being taken care by the management.

## 25. Internal Control System and their Adequacy:

Your Company's internal control system is commensurate with its scale of operations. Roles and responsibilities are clearly defined and assigned. Standard operating procedures are in place and have been designed to provide a reasonable assurance. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures. Independent Internal Auditors conduct audit covering a wide range of operational matters and ensure compliance with specified standards. Planned periodic reviews are carried out by Internal Audit. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors. The Audit Committee reviews the adequacy and effectiveness of internal control systems and suggests ways of further strengthening them, from time to time. The Company has robust Management Information System which is an integral part of the internal control. The observations and good practices suggested are thoroughly reviewed by the Management and the Audit Committee and appropriately implemented for strengthening the controls of various business processes.

The Management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary.

## 26. Risk Management:

The company has laid down a well defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/ mitigate the same through a properly defined framework.

During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may threaten the existence of the company.

## 27. Disclosure Requirements:

### a) Corporate Governance:

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the stipulations set out in the SEBI (Listing Obligations and Disclosure Requirements) 2015.

A separate report of the Board of Directors of the Company on Corporate Governance including Management Discussion and Analysis Report is an integral part of the Annual Report and included as Annexure 'VIII' and the Certificate from M/s Fadnis & Gupte, Chartered Accountants, Statutory Auditors of the Company, confirming compliance with the requirements of Corporate Governance as stipulated in Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is annexed as "Annexure-VIII."

### b) Familiarization Program for Independent Directors:

Your Company has in place a Familiarization Program for independent Directors to provide insights into the Company's Business to enable them contribute significantly to its success. The Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company. Such program was conducted on 4th November, 2015.

Details of the familiarization program of the independent directors are available on the website of the Company (URL: [www.rajratan.co.in](http://www.rajratan.co.in)).

### c) Dematerialisation of Shares:

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialisation of shares with either of the Depositories as aforesaid. As on March 31, 2016, 97.73% of the share capital stands dematerialized.

d) Policy on determining material subsidiary of the Company is available on the website of the Company (URL: [www.rajratan.co.in](http://www.rajratan.co.in)).

e) Policy on dealing with related party transactions is available on the website of the Company (URL: [www.rajratan.co.in](http://www.rajratan.co.in)).

f) The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions are in line with the provisions of the section 177(9) of the Companies Act, 2013 read with regulation 22 of the Listing Regulations.

g) As required under section 134(q) there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

h) The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company.

i) The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares



by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code-4.

The Insider Trading Policy of the Company covering code of practices and procedure for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on the website of the Company at [www.rajratan.co.in](http://www.rajratan.co.in).

j) The provisions/requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder are being followed by the Company and the company has proper system for it.

k) The details of the Committees of Board are provided in the Corporate Governance Report section of this Annual Report.

## 28. Cautionary Note:

Certain statements in the "Management Discussion and Analysis" section may be forward looking and are stated as required by the applicable laws and regulations. Many factors may affect the actual results, which could be different from what the directors envisage in terms of future performance and outlook. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

## 29. ANNEXURES FORMING A PART OF DIRECTOR'S REPORT

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report:

Annexure	Particulars
I	Particulars of Conservation of Energy, Technology and Foreign Exchange
II	Report on Corporate Social Responsibility
III	Policy on Director's appointment & Remuneration
IV	Managerial Remuneration and Particulars of Employees
V	Related Party Transactions
VI	Secretarial Audit Report
VII	Extracts of Annual Return in Form MGT-9
VIII	Corporate Governance Report
IX	Certificate on Corporate Governance Report

## 30. Human Resources and Industrial Relations:

Your Company has been able to operate efficiently because of a culture of professionalism, integrity, dedication, competence, commitments, high level of people engagement and continuous improvement shown by its employees in all functions and areas of business. Our basic objective is to ensure that a robust talent pipeline and a high-performance culture, centered around accountability is in place. We feel this is critical to enable us retain our competitive edge.

During the year measures for training, development, safety of the employees and environmental awareness was the top priority of the Management. The Directors wish to place on record their appreciation for 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.

## 31. Appreciation:

Your Board of Directors would like to convey their sincere appreciation for the wholehearted support and contributions made by all the employees at all levels of the Company for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

For and on behalf of the Board

Place: Indore

Dated: 11th May 2016

**Sunil Chordia**

Managing Director

DIN- 00144786

**Chandrashekhar Bobra**

Director

DIN- 0209498



## ANNEXURE II TO THE REPORT OF THE BOARD OF DIRECTORS

### PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION 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:

#### A. Conservation of Energy

- 1) the steps taken or impact on conservation of energy;
  - a. Replacement of CFL/Tube light and Flood light and hi way lamp with LED, approx 80 locations.
  - b. Installation of Heat Exchanger at Hot water system to preheat make water 3kl/day.
  - c. Revamping of AC Unit AHU/Ducting to minimize Heat losses and saving Electricity power.
  - d. Replacement of Patenting Furnace and wire quenching furnace to increase production and minimize heat losses.
  - e. Installation of force draft cooling tower to increase cooling efficiency of cooling tower.
  - f. Installation of air ventilator and Transparent sheet at side wall to utilized natural light.
  - g. Thermal insulation of pipe line.

- 2) the steps undertaken by the company for utilizing alternate source of energy; Purchase of solar and wind power from Ujjas Energy Ltd.

#### 3) the capital investment on energy conservation equipments;

- a. Capital investment for Energy conservation – ₹ 249.00 Lacs.
- b. Repair maintenance Investment ₹ 20.00 Lacs.

#### B. Technology Absorption, Research and Development (R&D)

- 1) The efforts made towards technology absorption
  - a. Installation of auto firing combustion system at quenching furnace.
  - b. N-Computing system to replace CPU at multiple locations.
  - c. Use of rod preparation system to replace pickling.
- 2) The benefits derived like product improvement, cost reduction, product development or import substitution
  - a. Improve production efficiency
  - b. Reduce Conversion Cost
- 3) In case of imported technology (imported during the three years reckoned from the beginning of the financial year) – The company has not imported any technology during the last three years.
- 4) The foreign expenditure incurred on Research and Development - The company has not incurred foreign expenditure on Research and Development

#### C. Foreign Exchange Earning and Outgo:

The Company has incurred the following expenses in foreign currency:

On foreign travels ₹ 1,39,015 (₹ 2,45,208), on capital goods 53,51,297, NI , on import of raw material in foreign exchange during the year Rs 42,26,11,309 (₹ 486656163), Testing Fees ₹ 35017 (₹ 46494) ,Technical Consultancy ₹ 6,78,964 (652968 ),Components & Spare Parts 4,76,807(Rs. 1016199),Trading goods ₹. 235892305 (464834990) Return of empty spool and cages ₹1,479,827 (₹ 1,334,441) The F.O.B. value of exports (Manufactured) during the year was ₹ 6,31,69,787 (₹ 6,47,62,711 ).

**ANNEXURE II TO THE REPORT OF THE BOARD OF DIRECTORS  
ANNUAL REPORT ON CSR ACTIVITIES**

**1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

Corporate Social Responsibility is embedded in Rajratan's culture. The underlying objective of CSR activities of the company is to promote education and other activities for the benefit of the people living in peripheral of its plant site.

**2. Composition of CSR Committee:**

- (i) Mr. S S. Maru:- Chairman; (Independent Director)
- (ii) Mrs. Sangita Chordia:- Member; (Whole time Director)

**3. Average net profit of the Company for last three financial years:**

Average Net Profit: ₹ 9,92,81,400.00

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):**

The Company is required to spend ₹ 1985628.00 towards CSR.

**5. Details of CSR spend for the financial year:**

- (a) Total amount spent for the financial year: ₹ 6,99,600.00
- (b) Amount unspent, if any: ₹ 12,86,028.00
- (c) Manner in which the amount spent during the financial year: attached

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

The management of the company is in the process of identifying some good project and for which creation of a trust is under process. Till the trust is created the expenditure towards CSR activities will be incurred by the Company more effectively. The company shall ensure that the expenditure which could not be incurred during the year shall be spent towards CSR activities in the next years.

For and on behalf of the Board

Place: Indore

Dated: 11th May 2016

**Sunil Chordia**  
Managing Director  
DIN - 00144786

**S.S. Maru**  
Chairman CSR committee  
DIN - 03081191

**DETAILS OF CSR ACTIVITIES**

S. No.	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and District where projects or program was undertaken	Amount Outlay (Budget) Project or programs wise	Amount spent on the projects or programs Sub heads: 1.Direct expenditure on projects or program 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
1.	2.	3.	4.	5.	6.	7.	8.
1.	Education project through Literacy India Vidyapeeth	Educating under privileged women and children, and empowering them to become self-reliant and employable	Haryana	₹ 503,800.00	₹ 503,800.00	₹ 503,800.00	Direct ₹ 503,800.00
1.	Contribute to the Institutions which work for blind students, running schools in tribal areas	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the different abled and livelihood enhancement projects	Local Area	₹ 90,000.00	₹ 90,000.00	₹ 90,000.00	Direct ₹ 90,000.00
3.	Training programme for the empowerment of women	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;	Local Area	₹ 52,200.00	₹ 52,200.00	₹ 52,200.00	Direct ₹ 52,200.00
4.	Child Education and Gau Seva	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;	Local Area	₹ 45,000.00	₹ 45,000.00	₹ 45,000.00	Direct - ₹ 45,000.00
5.	Contribution to other foundation engaged in socio-economic development and relief work	Various aspect covered Section 135, the Rules made there under and by the Schedule VII of the Companies, Act 2013	Local Area	₹ 8,600.00	₹ 8,600.00	₹ 8,600.00	Direct - ₹ 8,600.00

### **ANNEXURE-III TO THE REPORT OF THE BOARD OF DIRECTORS POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

(including criteria for determining qualification, positive attributes, independence of a Director, policy relating to remuneration for Directors, Key Managerial Personnel and other employees)

The Remuneration policy of your Company is a comprehensive policy which is competitive, in line with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives and the performance of the individuals measured through the annual appraisal process.

#### **Policy on Directors' Appointment**

Policy on Directors' appointment is to follow the criteria as laid down under the Companies Act, 2013, the Listing Regulations and good corporate practices.

#### **REMUNERATION CRITERIA FOR NON-EXECUTIVE DIRECTORS**

1. As per Company's policy, the Company doesn't pay any commission or remuneration to its non executive directors.
2. The Company pays sitting fee of ₹ 2,500/- for attending each meeting of Board of directors and meeting of Audit committee.
3. The Company reimburses the actual travelling and lodging expenses to the Non Executive Directors for attending the Board, Committee and members meetings from time to time.
4. Independent directors are being appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the companies Act,

2013, rules made thereunder & listing agreement entered with stock exchange.

5. The Company does not provide any ESOP, etc to its directors.

#### **REMUNERATION CRITERIA FOR THE EXECUTIVE DIRECTORS AND KMP:**

1. The Remuneration of the executive directors and Managing Director is determined and approved by the Nomination and Remuneration Committee of the Board, consisting of the independent directors.
2. The Executive directors being appointed for a period of 3/5 years at a time.
3. The Company is not paying any sitting fee as well as does not provide any ESOP, etc to its executive directors.
4. The Company is paying remuneration to its Company Secretary, as per the terms of the appointment approved by the Remuneration Committee and they are also entitled for the annual increments based on their performance, evaluated by the Remuneration Committee and Board on annual basis.

For and on behalf of the Board

Place: Indore	<b>Sunil Chordia</b>	<b>Chandrashekhar Bobra</b>
Dated: 11th May 2016	Managing Director	Director
	DIN- 00144786	DIN- 0209498

### **ANNEXURE-IV TO THE REPORT OF THE BOARD OF DIRECTORS**

Statement pursuant to Section 197(12) of the Companies Act 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- A. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

S.No.	Executive Directors	Ratio to median Remuneration
1.	Sunil Chordia	38.56
2.	Deepesh Trivedi *	17.59
3.	Sangita Chordia	4.60

\* Resigned w.e.f. 30th October, 2015

- B. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

S.No.	Executive Directors	Designation	Ratio to median Remuneration
1.	Sunil Chordia	Managing Director	18.92
2.	Deepesh Trivedi	Executive Director	-
3.	Sangita Chordia	Whole-Time Director	30.75
4.	Shubham Jain	Company Secretary	26

- C. The percentage increase in the median remuneration of employees in the financial year: 6.25%

- D. The number of permanent employees on the rolls of Company: 287

- E. The explanation on the relationship between average increase in remuneration and Company performance:

The average increase in the remuneration is of 6.25% of employees whereas the net profit of the Company has increased by 51%.

- F. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Particulars	Amount in lacs
Aggregate remuneration of key managerial personnel (KMP) in FY15	70.71
Revenue	20823.17
Remuneration of KMPs (as % of revenue)	0.34
Profit before Tax (PBT)	1463.01
Remuneration of KMP (as % of PBT)	4.85

- g. 1. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2016	March 31, 2015	% Change
Market Capitalisation (₹ In lacs)	8673.13	3427.04	153.07
Price Earnings Ratio	8.99	5.37	67.41

2. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer (in the year 1995 at ₹ 18): 1107.22%
- H. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
The average annual increase in salary/wages of the employees was around 6.25% (other than managerial personnel), whereas remuneration to managerial personnel increased by 9.49%.
- I. Comparison of each remuneration of the key managerial personnel against the performance of the Company:  
There is no variable component of salary paid in 2015-16/ 2014-15 linked with performance of the Company for said managerial personnel.
- J. The key parameters for any variable component of remuneration availed by the directors:  
not applicable as mentioned in (i) above
- K. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:  
None
- L. Affirmation that the remuneration is as per the remuneration policy of the Company:  
The Company affirms remuneration is as per the remuneration policy of the Company.
- M. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.  
None

## ANNEXURE V TO THE REPORT OF THE BOARD OF DIRECTORS

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Rajratan Global Wire Limited (RGWL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2015-16.
2. Details of material contracts or arrangement or transactions at arm's length basis:
  - a. Name(s) of the related party and nature of relationship:
    1. Rajratan Thai Wire Co. Ltd. – Wholly owned subsidiary of RGWL
    2. Swaraj Technocrafts Pvt. Ltd. - Subsidiary of the Company
    3. Cee Cee Engineering Industries Pvt. Ltd.
    4. Mr. P.D. Nagar – Director
  - b. Nature of contracts / arrangements / transactions:
    1. Rajratan Thai Wire Co. Limited, - Sales of wire rods and other misc items
    2. Swaraj Technocrafts Pvt. Ltd. – Purchase of machinery and job work

3. Cee Cee Engineering Industries Pvt. Ltd. - Purchase of steel spools, spares parts and job work
4. Mr. P.D. Nagar - Consultancy
- c. Duration of the contracts / arrangements / transactions:
 

For item No. 1 to 3 - Ongoing

For item No. 4 – Yearly retainership.
- d. Salient terms of the contracts or arrangements or transactions including the value, if any: The purchase order/invoice contains the basic details like delivery terms, payment terms, pricing and other terms.
- e. Date(s) of approval by the Board, if any: Not applicable, since the transactions were entered into, in the ordinary course of business and on arm's length basis.
- f. Amount paid as advance, if any: Yes and adjusted on regular basis.

For and on behalf of the Board

Place: Indore

Dated: 11th May 2016

**Sunil Chordia**

Managing Director

DIN- 00144786

**Chandrashekhar Bobra**

Director

DIN- 0209498



## ANNEXURE-VII

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Rajratan Global Wire Limited  
Indore

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rajratan Global Wire Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year commencing from 1st April, 2014 and ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (FDI and ECB not applicable to the company).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable during the audit period**);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable during the audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable during the audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2009 (**Not applicable during the audit period**) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable during the audit period**).
- (vi) The management of the Company has informed that there is no Industry specific law which is applicable to the Company. The

Company has entered into a tripartite agreement with MP Trading Company Limited (Now MP Power Management Co. Ltd., Jabalpur, M.P.) and Suzlon Energy Limited for captive consumption of power generated through its windmill at Dewas and in compliance with the terms and conditions of the said agreement.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards in respect of Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India effective July 1, 2015.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited valid till November 30, 2015 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective December 1, 2015.

I further report that the compliance by the Company of applicable financial laws has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals. The Company has a proper system of Compliance of these laws.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

#### OBSERVATIONS:

- a) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report under the provisions of the Companies Act and the rules and regulations made thereunder that-
  - (i) Few required forms were filed with additional fees and few forms like appointment of internal auditors, borrowings etc. could not be filed by the company, due to procedural delay, as specified by the management.
  - (ii) The Company has appointed Key Managerial Personnel as required under the Companies Act, 2013 except Chief Financial Officer (CFO).

#### We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions were carried through unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be. There is no dissenting view of member to capture and record as part of the minutes.

We further report that based on the review of compliance mechanism established by the Company and on the basis of the Compliance Certificates issued and taken on record by the Board of Directors at their meetings, and explanation and representation made by the Company and its Officers, we are of the opinion that the management has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was no instances having a bearing on the company's affairs and have no other Major issues like

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction, etc.

- (v) Foreign technical collaborations.

For Manju Mundra & Co.

**CS Manju Mundra**  
CS No.- 4431  
C P No.- 3454

Place : Indore

Date : 11-05-2016

Note :

This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

### **ANNEXURE "A"**

To,  
The Members  
Rajratan Global Wire Limited  
"Rajratan House", 11/2 Meera Path  
Dhenu Market,  
Indore

Our report of even date is to be read along with this letter.

- 1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Manju Mundra & Co.

**CS Manju Mundra**  
CS No.- 4431  
C P No.- 3454

Place : Indore

Date : 11-05-2016

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2016**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L27106MP1988PLC004778
2	Registration Date	09/09/1988
3	Name of the Company	RAJRATAN GLOBAL WIRE LIMITED
4	Category/Sub-category of the Company	Company Limited by shares / Indian Non-Government Company
5	Address of the Registered office & contact details	"Rajratan House" 11/2, MEERA PATH, DHENU MARKET, INDORE Madhya Pradesh - 452003
6	Whether listed company	Listed
7	Name , Address & contact details of the Registrar & Transfer Agent, if any,	M/s Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound LBS Marg, Mumbai-400078

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

S.No.	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of steel wires	2718	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

S. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Rajratan Thai Wire Co. Ltd.	NA	SUBSIDIARY	100%	2(87)
2	Swaraj Technocrafts Pvt. Ltd.	U27201MP2005PTC017578	SUBSIDIARY	68%	2(87)

**IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

**(i) Categorywise shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2015				No. of Shares held at the end of the year i.e. 31.03.2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	1546190	-	1546190	35.53%	1,546,190	-	1546190	35.53%	0.00%
b) Central Govt	-	-	-	-	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	-	-	-	-	0.00%	0.00%
d) Bodies Corp.	1164301	-	1,164,301	26.75%	1,164,301	-	1,164,301	26.75%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	0.00%	0.00%
f) Any other	-	-	-	-	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>2710491</b>	<b>-</b>	<b>2710491</b>	<b>62.28%</b>	<b>2710491</b>	<b>-</b>	<b>2710491</b>	<b>62.28%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A)</b>	<b>2710491</b>		<b>2710491</b>	<b>62.28%</b>	<b>2710491</b>		<b>2710491</b>	<b>62.28%</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2015				No. of Shares held at the end of the year i.e. 31.03.2016				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	0.00%	0.00%
b) Banks / FI	-	1,000	1,000	0.02	-	1,000	1,000	0.02	0
c) Central Govt	-	-	-	-	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	-	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	-	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	-	-	-	-	0.00%	0.00%
g) FIIs	-	676	676	0.02	-	-	-	-	-0.02%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	-	-	-	-	0.00%	0.00%
<b>Sub-Total (B)(1):-</b>	<b>-</b>	<b>1,676</b>	<b>1,676</b>	<b>0.04</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	<b>0.02</b>	<b>-0.02%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	1025709	1900	1027609	23.61	1040141	1900	1042041	23.95%	0.33%
i) Indian	-	-	-	-	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	-	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	-	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	277233	97,435	374,668	8.61	230141	96,035	326,176	7.50%	-1.11%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	233479	-	233,479	5.37	251777	-	251777	5.79%	0.42%
c) Others (specify)	-	-	-	0	0	-	-	0.00%	0.00%
Non Resident Indians (Repat)	212	-	212	0	85	-	85	0.00%	0.00%
Non Resident Indians (Non-Repat)	1281	-	1,281	0.03	781	-	781	0.20%	-0.01%
Overseas Corporate Bodies	0	-	-	-	-	-	-	0.00%	0.00%
Foreign Nationals	0	-	-	-	-	-	-	0.00%	0.00%
Clearing Members	393	-	393	0.01	3576	-	3,576	0.08%	0.07%
Market Maker	1991	-	1,991	0.05	0	-	-	0.00%	-0.05%
HUF	0	-	-	0	15873	-	15,873	0.36%	0.36%
Foreign Bodies - D R	0	-	-	0	0	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>1540298</b>	<b>99,335</b>	<b>1,639,633</b>	<b>37.68</b>	<b>1,542,374</b>	<b>97,935</b>	<b>1,640,309</b>	<b>37.69%</b>	<b>0.02%</b>
Total Public (B)	1540298	101,011	1,641,309	37.72	1,542,374	98,935	1,641,309	37.72%	0.00%
C. Shares held by Custodian for GDRs & ADRs	0	-	-	-	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	<b>4250789</b>	<b>101,011</b>	<b>4,351,800</b>	<b>100</b>	<b>4,252,865</b>	<b>98,935</b>	<b>4,351,800</b>	<b>100.00%</b>	<b>0.00%</b>



## (ii) SHARE HOLDING OF PROMOTERS

S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year i.e.			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Rajratan Investments Ltd	782881	17.99	0.00	782881	17.99	0.00	0.00
2	Sunil Chordia	479390	11.02	0.00	479390	11.02	0.00	0.00
3	Rajratan Resources Pvt Ltd	381420	8.76	0.00	381420	8.76	0.00	0.00
4	Sangita Chordia	558100	12.82	10.34	558100	12.82	10.34	0.00
5	Yashovardhan Chordia	268000	6.16	0.00	268000	6.16	0.00	0.00
6	Sunil Kumar Chandanmal HUF	180000	4.14	0.00	180000	4.14	0.00	0.00
7	Shubhika Chordia	60700	1.39	0.00	60700	1.39	0.00	0.00
	<b>Total</b>	<b>2710491</b>	<b>62.28</b>	<b>10.34</b>	<b>2710491</b>	<b>62.28</b>	<b>10.34</b>	<b>0.00</b>

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

S. No.	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares	No. of Shares	% of total shares
	At the beginning of the year	There is no change in promoter's shareholding between 1-04-2015 to 31- 03-2016			
	Changes during the year				
	At the end of the year				

## (iv) Shareholding Pattern of top ten Shareholders

S. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2015		Transactions during the year		Cumulative Shareholding during the year - 2016	
		No. of Shares Held	% of total shares of the company	Date of Transaction	No. of Shares	No. of Shares	% of total shares of the company
1	RENAISSANCE ADVANCED CONSULTANCY LIMITED Transfer	0	0.0000	14 Aug 2015	625200	0	0.0000
	AT THE END OF THE YEAR					625200	14.3665
2	VIGIL STOCKS AND SHARES PVT LTD AT THE END OF THE YEAR	135973	3.1245			135973	3.1245
3	CHANDRAKANT NAGAR AT THE END OF THE YEAR	49000	1.1260			49000	1.1260
4	ANJANA S GANDHI AT THE END OF THE YEAR	46000	1.0570			46000	1.0570
5	NSB SECURITIES PRIVATE LIMITED MARKET PURCHASE	0	0.0000	15 Jan 2016	2433	0	0.0000
	MARKET PURCHASE			22 Jan 2016	8380	2433	0.0559
	MARKET PURCHASE			29 Jan 2016	3771	10813	0.2485
	MARKET PURCHASE			05 Feb 2016	6480	14584	0.3351
	MARKET PURCHASE			12 Feb 2016	7274	21064	0.4840
	MARKET PURCHASE			26 Feb 2016	16202	28338	0.6512
	MARKET PURCHASE			04 Mar 2016	385	44540	1.0235
	AT THE END OF THE YEAR					44925	1.0323
6	SURBHI INVESTMENTS & TRADING COMPANY PRIVATE LIMITED MARKET SELL	67013	1.5399	11 Dec 2015	(1000)	44925	1.0323
	MARKET SELL			31 Dec 2015	(1249)	67013	1.5399
	MARKET SELL			08 Jan 2016	(1120)	66013	1.5169
	MARKET SELL			15 Jan 2016	(1000)	64764	1.4882
	MARKET SELL			05 Feb 2016	(1000)	63644	1.4625
	MARKET SELL			12 Feb 2016	(1145)	62644	1.4395
	MARKET SELL			19 Feb 2016	(20000)	61644	1.4165
	MARKET SELL			26 Feb 2016	(53)	60499	1.3902
						40499	0.9306
						40446	0.9294

S. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2015		Transactions during the year		Cumulative Shareholding during the year - 2016	
		No. of Shares Held	% of total shares of the company	Date of Transaction	No. of Shares	No. of Shares	% of total shares of the company
7	AT THE END OF THE YEAR SUNIDHI CAPITAL PVT LTD MARKET PURCHASE	0	0.0000	19 Feb 2016	38500	40446 0	0.9294 0.0000
8	AT THE END OF THE YEAR BHANU PRAKASH INANI MARKET SELL	53776	1.2357	19 Feb 2016	(16202)	38500 53776 37574	0.8847 1.2357 0.8634
9	AT THE END OF THE YEAR BRIJWASI SECURITIES PRIVATE LIMITED	37574 36179	0.8634 0.8314			36179 36179	0.8314 0.8314
10	AT THE END OF THE YEAR RICHLINE LEASING AND FINANCE PRIVATE LIMITED	36000	0.8272			36000 36000	0.8272 0.8272
11	AT THE END OF THE YEAR ABHA SURESH CHORDIA	23000	0.5285			23000 23000	0.5285 0.5285
12	AT THE END OF THE YEAR AVALOKITESHVAR VALINV LIMITED	625200	14.3665	14 Aug 2015	(625200)	625200 0	14.3665 0.0000
13	AT THE END OF THE YEAR PRIYANKA FINANCE PRIVATE LIMITED	21000	0.4826	18 Dec 2015 19 Feb 2016	(2500) (18500)	0 21000 18500 0 0	0.0000 0.4826 0.4251 0.0000 0.0000

Note: 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 4351800 Shares.  
2. The details of holding has been clubbed based on PAN.

**(v) Shareholding of Directors & KMP**

S. No.	Name of Shareholder	Shareholding at the end of the year		Date	Increase / (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.15 to 31.03.16)	
		No. of shares at the beginning of the year (01.04.15)/ end of the year (31.03.16)	% of total shares of the Company				No. of Shares	% of total shares of the company
1	Mr Sunil Chordia	479390 479390	11.02 11.02	01.04.2015 31.05.2016	0	NIL movement during the year	479390	11.02 11.02
2	Mrs. Sangita Chordia	558100 558100	12.82 12.82	01.04.2015 31.03.2016	0	NIL movement during the year	558100	12.82
3	Mr P.D. Nagar	1500 1500	0.034 0.034	01.04.2015 31.03.2016	0	NIL movement during the year	1500	0.034

**V INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	234,429,821.00	17,420,451	-	251,850,272.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>234,429,821.00</b>	<b>17,420,451.00</b>	<b>-</b>	<b>251,850,272.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	32,207,805.00	22,257,047.00	-	54,464,852.00
* Reduction	58,448,231.32	25,726,600.00	-	84,174,831.32
<b>Net Change</b>	<b>(26,240,426.32)</b>	<b>(3,469,553.00)</b>	<b>-</b>	<b>(29,709,979.32)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	205,981,590.00	13,950,898.00	-	219,932,488.00
ii) Interest due but not paid	2,207,805.00	-	-	2,207,805.00
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>208,189,395.00</b>	<b>13,950,898.00</b>	<b>-</b>	<b>222,140,293.00</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director and/or Manager:**

₹ in Lacs

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Sunil Chordia	Sangita Chordia	Deepesh Trivedi	
1	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	68.00	7.20	31.03	106.23
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.40	0.33	0.19	0.92
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commissions				
	- % of profit	0	0	0	0
	- others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total (A)</b>	<b>68.40</b>	<b>7.53</b>	<b>31.22</b>	<b>107.15</b>
	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)				

**B. Remuneration to other directors:**

₹ in Lacs

S.No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	<b>Independent Directors</b>	<b>Mr. Shiv Singh Mehta</b>	<b>Mr. Surendra Singh Maru</b>	<b>Mr. Chandra Shekhar Bobra</b>	
	Fee for attending board committee meetings	0.10	0.15	0.20	0.45
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0.10</b>	<b>0.15</b>	<b>0.20</b>	<b>0.45</b>
2.	<b>Other Non-Executive Directors</b>	<b>Mr. P.D. Nagar</b>	<b>Mr. Abhishek Dalmia</b>	<b>-</b>	
	Fee for attending board committee meetings	0.20	0.03	-	0.23
	Commission	-	-	-	-
	Others, please specify -Consultancy Fees	5.00	-	-	5.00
	<b>Total (2)</b>	<b>5.20</b>	<b>0.03</b>	<b>-</b>	<b>5.23</b>
	<b>Total (1+2)</b>	<b>5.30</b>	<b>0.18</b>	<b>0.20</b>	<b>5.68</b>
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WT D**

₹ in Lacs

S.No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amt.
	<b>Name</b>	<b>-</b>	<b>-</b>	<b>Mr Shubham Jain</b>	
	<b>Designation</b>	<b>CEO</b>	<b>CFO</b>	<b>CS</b>	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	2.14	2.14
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>2.14</b>	<b>2.14</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the companies	Brief Description fees imposed	Details of Penalty/ Punishment/ Compounding	Authority [RD / NCLT / Court] (give details)	Appeal made, if any
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



**REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015)

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company recognizes the importance of good Corporate Governance, which is a tool for building a strong and everlasting beneficial relationship with the customers, suppliers, bankers and more importantly with the investors. The Company believes that its key decisions must serve the underlying goals of enhancing shareholders' value over a sustained period of time, and achieving the definite and measurable performance targets.

**2. BOARD OF DIRECTORS****a) Composition of the Board**

The Company functions under the supervision and control of the Board of Directors. The Board formulates the overall strategy and periodically reviews the implementation of the same.

The Directors on the Board are from varied fields with wide range of skills and experience. The Non-Executive Directors including Independent Directors bring statutory and wider perspective in the Board's deliberations and decisions. All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year give a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Reg. 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The Company's policy is to maintain optimum combination of Executive Directors, Non-Executive Directors and Independent Directors. The Composition of the Board of Directors as on March 31, 2016 with their attendance at the Board Meetings held during the year 2015-16 and at the last Annual General Meeting is given below:

DIN	Name of Director	Categories of Director	No. of Board Meetings attended	Attendance at last AGM	No. of outside Directorships*	Number of committee positions held in other public companies*
00144786	Mr. Sunil Chordia	Managing Director	4 of 4	YES	3	2
00151621	Mr. P.D. Nagar	Non Executive	4 of 4	YES	NIL	NIL
0023523	Mr. S. S. Mehta	Non Executive & Independent	1 of 4	YES	2	2
0011958	Mr. Abhishek Dalmia	Non Executive	3 of 4	YES	12	NIL
0209498	Mr. Chandrashekhar Bobra	Non Executive & Independent	4 of 4	YES	1	NIL
02049488	Mr. Deepesh Trivedi #	Executive Director	1 of 4	NO	NIL	NIL
00147150	Mrs. Sangita Chordia	Executive Director	4 of 4	YES	1	NIL
03081191	Mr Surendra Singh Maru	Non Executive & Independent	4 of 4	YES	NIL	NIL

\* Outside directorships do not include directorships of Section 8 Companies and of companies incorporated outside India. Chairmanships / memberships of board committees shall include only audit committee and stakeholders' relationship committee.

# Resigned w.e.f. 30th October, 2015

**b) Board Meetings**

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. All relevant information as required under Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 was placed before the Board from time to time. The Minutes of the Board meetings are also circulated in advance to all Directors and confirmed at subsequent Meeting.

During Financial Year 2015-16 the Board met four times on 18th May, 2015, 11th August, 2015, 4th November, 2015 and 25th January, 2016.

**c) Separate Meeting of Independent Directors**

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on November 4, 2015 to review the performance of Non-Independent Directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors and the Board as well as flow of information between the Management and the Board to be satisfactory. All Independent Directors were present in the meeting.

**d) Familiarisation Program of Independent Directors**

The Company has in place a Familiarization Program for independent Directors to provide insights into the Company's Business to enable them contribute significantly to its success. The Senior Management makes presentations periodically to familiarize the Independent Directors with the strategy operations and functions of the Company. Web link of Familiarisation Program for Independent Directors and terms and conditions is <http://www.rajratan.co.in/investors>.

**e) Evaluation of the Board's Performance**

The Board has a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board based on the criteria laid down by Nomination and Remuneration Committee which included attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, adherence to Code of Conduct and Business ethics, monitoring of regulatory compliance, risk assessment and review of Internal Control Systems etc.

### 3. AUDIT COMMITTEE

a) The Board of Directors has constituted an Audit Committee of Directors. The terms of reference of the Audit Committee includes the matters specified under Clause 49 (III) (D) of the Listing Agreement with Stock Exchanges and Part C of Schedule II to Regulation 18 (3) of the Listing Regulations as well as Section 177 of the Companies Act, 2013.

The Chairman of the Audit Committee was present at the 27th Annual General Meeting held on August 11, 2015. The Minutes of the Audit Committee Meetings were noted at the Board Meetings.

#### Composition, Names of Members and Chairman

S.No.	Name	Category
1.	Mr. Chandrasekhar Bobra, Chairman	Independent, Non-Executive
2.	Mr. P. D. Nagar	Non-Executive
3.	Mr. S. S. Maru	Independent, Non-Executive

The Internal Auditors of the Company and the Managing Director are invitees to the meetings.

CS Shubham Jain, Company Secretary of the Company is the Secretary to the Committee and advises the Committee on Compliances.

#### b) Meetings and attendance during the year

Four Audit Committee Meetings were held during the financial year under review and the gap between two Meetings did not exceed 120 days. These Meetings were held on May 16, 2015, August 10, 2015, October 31, 2015 and January 25, 2016. The details of the composition of the Audit Committee and the attendance of the Members at the Audit Committee Meetings are as under:

Name of Director	No. of Meetings attended
Mr. Chandrasekhar Bobra	4 of 4
Mr. S. S. Maru	3 of 4
Mr. P. D. Nagar	4 of 4

c) **Terms of reference:** The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013.

### 4. NOMINATION AND REMUNERATION COMMITTEE OF DIRECTORS

a) The Board of Directors has constituted a Nomination and Remuneration Committee of Directors in place of Remuneration Committee of Directors. The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The policy has been displayed on the company's website viz., [www.rajratan.co.in](http://www.rajratan.co.in).

#### Composition, names of members and chairman

S.No.	Name	Category	Attendance in meetings
1.	Mr. P. D. Nagar, Chairman	Non-Executive	2 of 2
2.	Mr. S. S. Mehta	Independent, Non-Executive	1 of 2
3.	Mr. Chandrasekhar Bobra	Independent, Non-Executive	2 of 2

Two meetings were held on 18th May 2015 and 4th November, 2015 during the financial year 2015-16 of this committee

b) **Terms of reference:** The Nomination and Remuneration Committee assist the Board in overseeing the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria. The Committee formulates the criteria for evaluation of the performance of Independent Directors & the Board of Directors; identifying the persons who are qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013.

#### c) Performance evaluation criteria for Independent Directors-

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Directors including Independent Directors.

### 5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors has constituted Corporate Social Responsibility Committee of Directors as required under Section 135 of the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee includes the matters specified in the

Section 135 of the Companies Act, 2013, Schedule VII to the Act and Rules made thereunder. The Minutes of the Corporate Social Responsibility Committee Meetings were noted at the Board Meetings.

**Composition, names of members and chairman**

S.No.	Name	Category
1.	Mr S.S. Maru, Chairman	Independent, Non-Executive
2.	Mrs. Sangita Chordia	Executive

There were two meeting which were held during the Financial Year 2015-16 on August 11, 2015 and January 25, 2016.

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE OF DIRECTORS**

a) The Stakeholders' Relationship Committee comprises of Mr. P.D. Nagar, as its Chairman, Mr. S.S. Mehta and Mrs. Sangita Chordia as its Members. CS Shubham Jain, Company Secretary, acts as the Secretary to the Committee and as the Compliance Officer.

The terms of reference of the Stakeholders' Relationship Committee covers the matters specified under Clause 49 (VIII) (E) (4) of the Listing Agreement with the Stock Exchanges and Part D of Schedule II to Regulation 20 (4) of the Listing Regulations as well as under Section 178 of the Companies Act, 2013. The Minutes of the Stakeholders' Relationship Committee Meeting were noted at the Board Meeting. There were four meetings which were held during the Financial Year 2015-16 dates being 18th May 2015, 11th August, 2015, 4th November, 2015 and 25th January, 2016.

Composition, names of members and chairman as on 31st March 2016

S.No.	Name	Category	Attendance
1.	Mr. P.D. Nagar, Chairman	Non-Executive	4 of 4
2.	Mr. S. S. Mehta	Independent, Non-Executive	1 of 4
3.	Mrs. Sangita Chordia	Executive	4 of 4

**b) Name and Designation of Compliance Officer: Mr. Shubham Jain, Company Secretary**

**c) Status of the Investors/ Shareholders Complaints:**

- |  |   |     |
|--|---|-----|
| (i) No. of complaints received during the year         | : | Nil |
| (ii) No. of complaints resolved during the year        | : | Nil |
| (iii) No. of complaints pending at the end of the year | : | Nil |

The Company has authorized to implement transfer, transmission and D-mat of shares to the Share transfer Agent and to resolve the related problems. The Committee meets only on specific nature of complaints not resolved within a period of 21 days from the date of its receipts.

**d)** The Company has paid the listing fees to the Stock Exchange and also applied to NSE for listing of its shares which is under process.

**7. REMUNERATION TO EXECUTIVE & OTHER DIRECTORS**

**Executive Directors**

The following table gives details of remuneration paid to Executive Directors for the financial year under review:

S.No.	Name and Designation	Tenure of appointment	Remuneration	Perquisites & Allowances
1.	Mr. Sunil Chordia - Managing Director	01.04.2015 to 31.03.2016	63.00	5.00
2.	Mr. Deepesh Trivedi* - C.O.O. & Executive Director	01.04.2015 to 30.10.2015	19.58	11.44
3.	Mrs. Sangita Chordia - Whole Time Director	01.04.2015 to 31.03.2016	7.20	0.93

\* Resigned w.e.f. 30th October, 2015

The appointment of the Managing Director and Whole-time Director(s) is governed by the Articles of Association of the Company and the Resolutions passed by the Board of Directors and the Members of the Company.

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees, which is paid at the rate of ₹ 2,500/- for each meeting of the Board and the Audit Committee besides professional fees to one director. The Company has not issued any stock options to any of the directors.

## **8. GENERAL BODY MEETING**

Information about last three Annual General Meetings:

S.No.	Year	Date	Time	Venue
1.	2013	12thAugust	10.00a.m.	“Rajratan House”, 11/2, Meera Path, Dhenu Market, Indore-3, M.P.
2.	2014	26thSeptember	10.00a.m.	
3.	2015	11thAugust	10.00a.m.	

No Special Resolutions were put through postal ballot during the last year and at the forthcoming Annual General Meeting there is no item on the agenda that needs approval by Postal Ballot.

No special resolution was passed at the Annual General Meeting held on 12th August, 2013, four special resolutions were passed at the Annual General Meeting of 26th September, 2014 and one special resolution was passed at the Annual General Meeting of 11th August, 2015.

## **9. MEANS OF COMMUNICATION**

The Quarterly, Half Yearly and Annual Financial results are communicated to the Bombay Stock Exchange immediately after these are considered and approved by the Board; and thereafter regularly published in the prominent newspapers like Economics Times, Choutha Sansar etc. as required. The results are also displayed on the Company’s website ‘www.rajratan.co.in’ shortly after its submission to the Stock Exchange. Further, all other price sensitive and other information is sent to the Stock Exchange where shares of the Company are listed, enabling them to display the same on their website.

## **10. General Shareholders Information**

### **a) Date, Day, Time and Venue of the Annual General Meeting**

DATE	DAY	TIME	VENUE
26th July, 2016	Tuesday	2.00 P.M.	“Rajratan House” 11/2, Meera Path, Dhenu Market, Indore-3, M.P.

### **b) Financial Calendar: 1st April to 31st March**

Quarterly Results:

First Quarter - Third Week of July 2016  
 Second Quarter - Third Week of October 2016  
 Third Quarter - Third Week of January 2017  
 Audited results - Third Week of May, 2017  
 2016

### **c) Book Closure / Record Date:**

The Register of Members and Share Transfer Register will remain closed 20th July, 2016 to 26th July, 2016 (both days inclusive) to determine the members entitled to the dividend for Financial Year 2015-16.

**Dividend Payment date:** On and from 26th July, 2016

### **d) Listing on Stock Exchanges**

The Company is listed on the following Stock Exchange and has made an application to NSE Limited for listing which is under process. The Company has paid the listing fees to the BSE Limited.

The BSE Limited,  
 P. J. Towers, Dalal Street,  
 Mumbai – 400 001

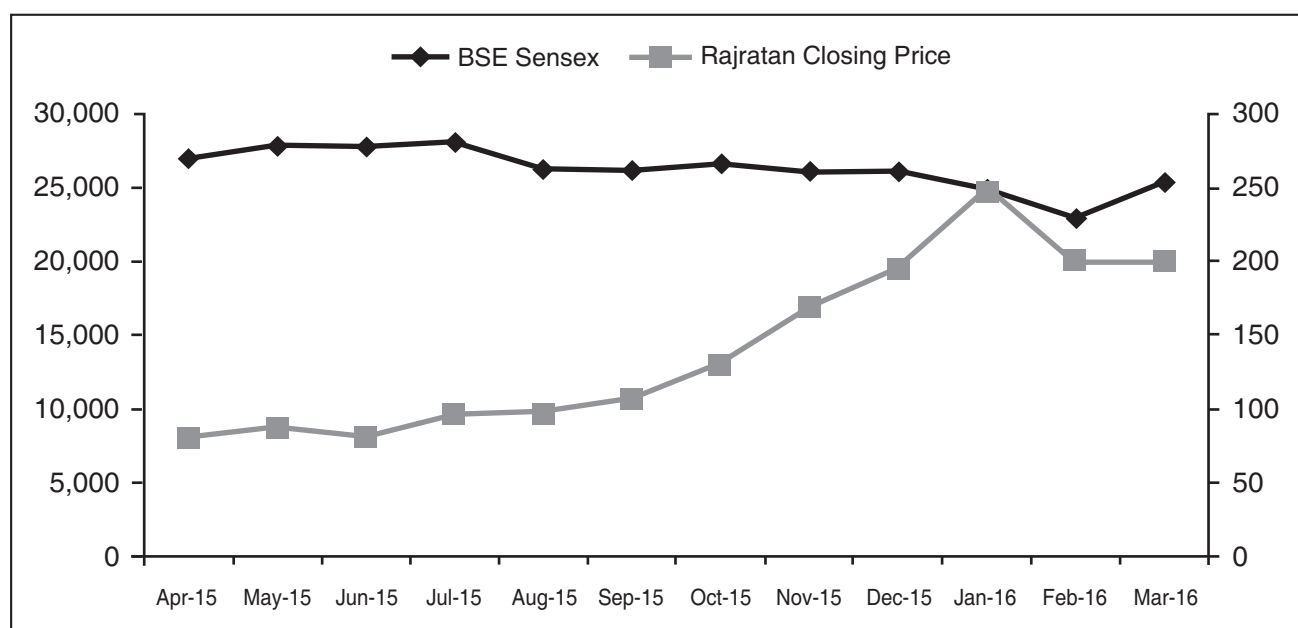
### **e) Stock Code**

ISIN No. : INE451D01011  
 Scrip Code : 517522 (BSE)

### **f) Stock Market Price Data: Monthly High and Low prices of Equity Shares of the Company quoted at the Stock Exchange, Mumbai during the year 2015-16.**

Price per equity share of face value of ₹ 10/-			Price per equity share of face value of ₹ 10/-		
Month	High	Low	Month	High	High
April	85.00	70.50	October	130.00	130.00
May	103.35	68.35	November	169.00	169.00
June	85.00	73.25	December	204.00	204.00
July	104.95	76.55	January	263.00	263.00
August	99.00	85.00	February	253.00	253.00
September	107.20	82.10	March	224.00	224.00

**g) Stock Performance index in relation to BSE Sensex:**



**h) The securities of the Company were not suspended from trading.**

**i) Share Transfer Agent**

M/s. Link intime India Private Limited

C-13 Pannalal silk mills Compound, L B S Marg

Mumbai – 400078 Ph: 022-25946970, Fax no. 022 - 25946969

Designated email id for investor communication: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**j) Share Transfer System**

The Board has authorized Stakeholder Relationship Committee to approve / authorize matters relating to share transfers / transmission, issue of duplicate shares, etc. At each Board Meeting, the Directors are apprised of the details of transfer / transmission / issue of duplicate shares authorized by the Stakeholder Relationship Committee. The Company has appointed Link Intime India Pvt Ltd. as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization/rematerialization of securities.

**k) Distribution of shareholding as at 31st March 2016:**



Shareholding of Nominal Value of ₹	No. of Shareholders	% of Shareholders	Amount of Share Capital in ₹	% of Shareholding
upto - 5000	1295	89.8681	1445820	3.3223
5,001 - 10,000	50	3.4698	399670	0.9184
10,001 - 20,000	32	2.2207	459930	1.0569
20,001 - 30,000	14	0.9715	364560	0.8377
30,001 - 40,000	4	0.2776	137450	0.3158
40,001 - 50,000	4	0.2776	181040	0.4160
50,001 - 1,00,000	13	0.9022	926760	2.1296
1,00,001 & Above	29	2.0125	39602770	91.0032
<b>Total</b>	<b>1441</b>	<b>100.00</b>	<b>43518000</b>	<b>100.00</b>

i) **Distribution of Shareholding according to the categories of shareholders as on 31st March 2016**

Categories	No. of Shares	Amount in ₹	% to Total
Promoters	2710491	27104910	62.28
Financial Institutions, Banks	1000	10000	0.023
Mutual Funds, UTI	0	0	0
Foreign Institutional Investors	0	0	0
NRI's / OCBs	866	8660	0.020
Other Bodies Corporate	1042041	1042041	23.95
Public	597402	597402	13.73
<b>Total</b>	<b>4351800</b>	<b>43518000</b>	<b>100.00</b>

5. **Details of Demat Shares as on 31st March 2016**

Particulars	No. of Shareholders	No. of Shares	% of Capital
NSDL	527	2762879	63.4882
CDSL	312	1489986	34.2384
<b>Sub-total</b>	<b>839</b>	<b>4252865</b>	<b>97.7266</b>
Shares in physical form	602	98935	2.2734
<b>Grand Total</b>	<b>1441</b>	<b>4351800</b>	<b>100.0000</b>

m) **Outstanding GDRs/ADRs/Warrants or any convertible instruments, etc.**

As on date, the Company has not issued these types of securities.

n) **Foreign exchange risk and hedging activities**

The Company has foreign exchange exposure; however no hedging is done for the same.

o) **Plant Location: 200 A & B, Sector I, Pithampur, Dist. Dhar, M. P**

p) **Investor Correspondence:**

Shareholders should address their correspondence to the Company's Registrar & Share Transfer Agents at the address as under:

M/s. Link Intime India Private Limited

C-13 Pannalal Silk Mills Compound, L B S Marg

Mumbai - 400078 Ph: 022-25946970, Fax No. 022 - 25946969

Designated email id for investor communication: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Shareholders may also contact:

Company Secretary at the Registered Office of the Company for any assistance:

“Rajratan House”

11/2, Meera Path,

Dhenu Market, Indore -3, M. P.

Ph: 0731 - 2546401

Designated email id for investor communication: investor@rajratan.co.in

## **11. OTHER DISCLOSURES**

### **a) Related Party transactions**

There is no transaction of material significant nature with related party that may have potential conflict with the interest of the company at large. The Related Party Transaction Policy as approved by the Board is available on the website of the Company <http://www.rajratan.co.in/investors/>

The Audit Committee has reviewed the related party transactions as mandatorily required under relevant provisions of Companies Act, 2015, the Listing Agreement with Stock Exchanges and Listing Regulations. The said transactions are in the ordinary course of business and at arm's length basis. The Company had taken omnibus approvals for indicative transactions proposed during the financial year ended March 31, 2016.

The related party disclosures in compliance with accounting standards as required under SEBI (Listing Obligation and Disclosure Requirements) 2015 has been disclosed in the notes to accounts forming part of this Annual Report.

### **b) Reconciliation of share capital audit:**

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the national securities depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

### **c) Code of Conduct**

The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended March 31, 2016. The Annual Report of the Company contains a Certificate by the Managing Director based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management. The said Code is also displayed under the Investor Relations section on the Company's website [www.rajratan.co.in/investors/](http://www.rajratan.co.in/investors/).

### **d) Whistle blower policy**

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company i.e. [www.rajratan.co.in/investors/](http://www.rajratan.co.in/investors/).

### **e) Disclosure of Accounting Treatment**

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

### **f) Compliances by the Company**

The Company has fully complied with the applicable requirement specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46. There has been no instance of non compliance of any requirement of Corporate Governance Report. During the Financial Year which ended on 31st March 2016 the company did not engage in commodity hedging activity.

g) The Adjudicating Officer of SEBI has levied penalty on the promoters of the Company for alleged violation of SEBI (Substantial Acquisition of Shares and Takeover) Regulation Regulations, 1997 in the previous years, against which the promoters have preferred an appeal before honorable Securities Appellate Tribunal, which is under consideration.

h) The details about the subsidiary companies of the company have been provided in the board's report and AOC 1 forming part of this Annual Report.

## **12. ADOPTION OF NON-MANDATORY REQUIREMENTS**

### **I. The Board**

Since the Company does not have a Non-Executive Chairman, it does not maintain such office.

### **II. Shareholder Rights**

Half yearly financial results are forwarded to the Stock Exchanges and uploaded on the website of the Company like quarterly results.

### **III. Audit Qualifications**

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.

**IV. Separate posts of Chairman and CEO**

The company has not appointed a Chairman and CEO.

**V. Reporting of Internal Auditor**

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.

**13. Demat Suspense Account**

Pursuant to Regulation 39 (4) read with Schedule VI of the Listing Regulations, 2015, the company is required to send at least three reminders at the last available address as per the records to the shareholders whose dividend warrants were undelivered and returned to the Company. The Company is under the process of sending reminders to the shareholders and follow the Listing Regulation made in this regard.

**14. CEO/CFO CERTIFICATION**

As required under Regulation 17 (8) of the Listing Regulations, the CEO and CFO Certification of the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting for the financial year ended March 31, 2016, which was signed by the Managing Director of the Company, was placed before Board of Directors at its Meeting.

Place : Indore

Dated : 11<sup>th</sup> May 2016

By Order of the Board

**SUNIL CHORDIA**  
MANAGING DIRECTOR  
DIN - 00144786

**DECLARATION**

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company - [www.rajratani.co.in](http://www.rajratani.co.in)

Place : Indore

Date : 11<sup>th</sup> May 2016

**SUNIL CHORDIA**  
MANAGING DIRECTOR  
DIN - 00144786

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Industry Structure and Developments

While the economic activity in the financial year 2015-16 had affected the automotive tyre and in turn the bead wire industry, the outlook for the current year looks to be optimistic in the expectation of higher economic growth. Government's recent initiatives to encourage investment in various sectors of the economy will bring back capital expenditure. On the back of improved demand scenario, automotive and tyre manufacturers are focusing on expanding capacities. As a result, demand for bead wire is expected to grow in the years ahead.

### 2. Opportunities and Threats

Looking at the positive economic outlook for the current year, your company is making efforts to increase the sales and is continuously working to strengthen relationship with customers in India, Thailand and other export destinations.

The demand of automotive tyres has strong relationship with the general economic conditions prevailing in the country and the global market. Any adverse development in the economy impacts the off-take of tyres which can be a risk factor for the Company.

### 3. Segment-wise or product-wise performance.

The company performs in one segment only i.e. Tyre Bead Wire. Annual revenue from operation for Financial Year 2015-16 stood ₹ 206.89 Crores as compared to 239.01 Crores of last year. Production during Financial Year 15-16 stood at 31,427 MT against 30,717 MT i.e. increased by 710 MT. The Annual PBT stood at ₹ 14.63 Crores as compared to ₹ 9.56 Crores in Financial Year 2014-15. Sales volume during year reported was 31,940 MT as compared to 30,049 MT of previous year, i.e. sales tonnage increased by 1,892 MT.

### 4. Outlook and Risks

As we begin the year 2016-17, the overall economic outlook remains uncertain. Government's focus on infrastructure development, investment in highways, and implementation of GST will give boost to the industry.

The company regularly assesses the risks and threats to the business. These include areas such as market trends, new competition, changing customer preferences, disruptions in supplies, product development, talent management etc. Factors which may affect the Company's business includes rise in prices of raw material, interest rates, trade or govt. policies, down trend in the automobile and tyre industry. With continuous efforts towards quality improvement, customer satisfaction, cost control your company is well positioned to capture the opportunities.

### 5. Internal Control System and their adequacy.

The Company has a comprehensive system of internal control to safeguard the Company's assets against the loss from unauthorized use and ensure proper authorization of financial transactions. The Company also has internal control systems which commensurate with the size and nature of the business and has experienced personnel positioned adequately in the organization to ensure internal control process and compliances. The Company takes abundant care in designing, reviewing and monitoring regularly the working of internal control systems and internal control compliances for all important financial internal control processes. The Audit findings are reported on quarterly basis to the Audit Committee of the Board headed by a Non-Executive Independent Director.

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with laws and regulations

### 6. Discussion on financial performance with respect to operational performance.

There is surge in the sales volume and production as compared to last year. The profit before tax has also has increased to Rs. 14.63 Crores as compared to ₹ 9.56 Crores in previous year. The sales volume has also increased. The finance cost has decreased as compared to last year.

### 7. Material developments in Human Resources / Industrial Relations front, including number of people employed

At Rajratan, our vision drives our ambitions and our people define our business excellence. During the year under review, the Industrial relations were cordial throughout the year and the Company has initiated many programs on up-skilling its manpower. As an ongoing exercise, the Company has continuously to look at, identified, creates and executed, initiatives which enhance the productivity and efficiency of the Company.

The Company continues to invest in people through various initiatives which enables the work force to meet out the production requirement and challenges related thereto and to infuse positive enthusiasm towards the organization.

### 8. Cautionary Statement

Statements made in this report in describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company Actual results could differ materially from those expressed in the statements or implied due to the influence of external and internal factors which are beyond the control of the Company.

The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹)

Particulars	Details	Details
Name of the subsidiary	Rajratan Thai Wire Co. Ltd.	Swaraj Technocrafts Pvt. Ltd.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 2015 to March 2016	April 2015 to March 2016
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting Currency – Thai Baht Exchange Rate –for Balance sheet Items 1.8851 and for profit and loss items 1.8679	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries
Share capital	489,510,149	1,750,000
Reserves & surplus	(348,548,586)	10,340,845
Total assets	868,632,816	52,062,896
Total Liabilities	868,632,816	52,062,896
Investments	-	-
Turnover	956,838,358	70,742,421
Profit before taxation	71,582,389	(6,105,323)
Provision for taxation	-	-
Profit after taxation	71,582,389	(6,105,323)
Proposed Dividend	Nil	Nil
% of shareholding	100%	68%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.



**CERTIFICATE**

**To,  
The Members of  
Rajratan Global Wire Limited  
CIN : L27106MP1988PLC004778  
Indore**

We have examined the compliance of conditions of Corporate Governance by M/s. Rajratan Global Wire Limited, Indore for the year ended on 31.03.2016, as stipulated in Listing Regulation.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For and on behalf of  
M/s. FADNIS & GUPTE**  
Chartered Accountants  
FRN : 006600C

**(C.A. Vikram Gupte)**  
Partner  
M. No. 074814

Indore : 452001  
Dated : 11<sup>th</sup> May 2016

# INDEPENDENT AUDITOR'S REPORT

To,  
The Shareholders of  
Rajratan Global Wire Limited  
Indore

## Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of **Rajratan Global Wire Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act read with, Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the Directors as on 31st March 2016 taken on records by the Board of Directors, none of the director is disqualified as on 31st March 2016 from being appointed as a director in terms of section 164(2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The company has disclosed the impact of pending litigation on its financial position in its financial statements- Refer Note 26.1 (d) to the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR FADNIS & GUPTA**

Chartered Accountants

FRN : 006600C

**(CA. Vikram Gupta)**

Partner

M.No. 074814

Place of Signature: Indore

Date: 11.05.2016

## ANNEXURE TO THE AUDITOR'S REPORT

(As referred to in our Independent Auditor's Report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As informed and explained to us, the management, during the year, has physically verified the items of the fixed assets of the company at reasonable interval and no significant discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As informed and explained to us the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (iii) The company has granted unsecured loans to one body corporate covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act").
  - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.
  - (b) The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
  - (c) Accordingly, paragraph 3(iii)(c) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the company has not accepted any deposits under sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records

have been made and maintained.

- (vii) (a) According to the books of accounts and records examined by us according to generally accepted auditing practices in India, in our opinion, the company has been regular in depositing undisputed statutory dues. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income tax, Sales Tax, Customs Duty, Excise Duty, Service Tax, Cess and other material statutory dues which have remained outstanding as at 31st March 2016 for a period of more than six months from the date they became payable.
- (b) There are no disputed dues on account of Custom Duty, Wealth Tax/ Cess that have not been deposited. The disputed dues on account of the Sales Tax, Income Tax, Excise Duty and the Service Tax are as under:-

Particulars	Financial Year	Amount (₹)	Forum where the Dispute is pending
Income tax	2003-04	200,000	CIT (A) -II Indore
Central sales tax	2008-09	955,403	Appellate Board, Bhopal
Central sales tax	2009-10	221,155	Appellate Board, Bhopal
Central sales tax	2011-12	506,565	Appellate Board, Bhopal
Central sales tax	2012-13	248,911	Appellate Board, Bhopal
Central sales tax	2013-14	792,212	Appellate Board, Bhopal
Central sales tax	2015-16	180,555	Before Commercial Tax Officer, Villupuram
Service tax	2005-06	584,233	Customs, Central Excise & Service Tax Appellate Tribunal, New Delhi
Service tax	2004 to 2015	2,420,603	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	2005 to 2009	1,152,642	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	2015-16	14,663	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	2015-16	4,284,025	The Company is in process to file appeal before Commissioner (A), Bhopal

- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (ix) Paragraph 3(ix) of the Order is not applicable to the Company in respect of initial public offer or further public offer.
- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year under audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/ society. Therefore, the provisions of clause (xii) of Para 3 of the said order are not applicable to the company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR FADNIS & GUPTE**  
Chartered Accountants  
FRN : 006600C  
(CA. Vikram Gupta)  
Partner  
M.No. 074814

Place of Signature: Indore  
Date: 11.05.2016

Annexure - B to the Auditors' Report

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Rajratan Global Wire Limited** ("the Company"), as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR FADNIS & GUPTE**  
Chartered Accountants  
FRN : 006600C  
(CA. Vikram Gupta)  
Partner  
M.No. 074814

Place of Signature: Indore  
Date: 11.05.2016

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2016**  
(CIN No.L27106MP1988PLC004778)

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	43,518,000	43,518,000
(b) Reserves and Surplus	3	865,197,746	775,075,555
		<u>908,715,746</u>	<u>818,593,555</u>
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	138,000,000	175,981,590
(b) Deferred Tax Liabilities (Net)	5	80,393,240	80,825,678
		<u>218,393,240</u>	<u>256,807,268</u>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	6	316,387,758	432,717,098
(b) Trade Payables	7	69,461,920	280,553,037
(c) Other Current Liabilities	8	80,879,570	75,298,535
(d) Short-Term Provisions	9	20,176,486	8,766,695
		<u>486,905,734</u>	<u>797,335,365</u>
<b>Total</b>		<b><u>1,614,014,720</u></b>	<b><u>1,872,736,188</u></b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	397,696,918	405,745,844
(ii) Capital work-in-progress		28,034,422	2,992,769
(b) Non-Current Investments	11	389,257,144	389,257,144
(c) Long Term Loans and Advances	12	109,333,757	111,782,989
		<u>924,322,241</u>	<u>909,778,746</u>
<b>(2) Current Assets</b>			
(a) Inventories	13	151,715,204	204,936,344
(b) Trade Receivables	14	466,887,030	655,517,405
(c) Cash and Bank Balances	15	26,771,755	53,846,127
(d) Short-Term Loans and Advances	16	43,600,670	48,423,923
(e) Other Current Assets	17	717,820	233,643
		<u>689,692,479</u>	<u>962,957,442</u>
<b>Total</b>		<b><u>1,614,014,720</u></b>	<b><u>1,872,736,188</u></b>

Notes attached to and forming part of accounts.

I

As per our Audit Report of even dated.

**FOR FADNIS AND GUPTE**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTE)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR  
DIN:00209498

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR  
DIN:00144786

Indore  
Dated : 11<sup>th</sup> May 2016

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**  
(CIN No.L27106MP1988PLC004778)

(Amount in ₹)

PARTICULARS		NOTE NO.	YEAR ENDED 31st MARCH-2016	YEAR ENDED 31st MARCH-2015
<b>I</b>	Revenue from Operations	18	2,284,428,874	2,615,955,629
	Less : Excise Duty		215,445,372	225,846,385
	Revenue from Operations (Net)		2,068,983,502	2,390,109,244
<b>II</b>	Other Income (include Prior Period Income ₹ Nil, Previous year ₹ 217,196/-)	19	13,333,696	9,868,790
<b>III</b>	<b>Total Revenue (I +II)</b>		<b>2,082,317,198</b>	<b>2,399,978,034</b>
<b>IV</b>	<b>Expenses:</b>			
	Cost of materials consumed	20	1,050,831,738	1,234,207,833
	Purchase of Stock-in-Trade	21	236,689,934	517,596,880
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	34,545,783	(36,553,791)
	Employee benefit expense	23	103,663,700	99,602,970
	Finance costs	24	81,766,907	90,634,710
	Depreciation and amortization expense		30,750,777	30,484,480
	Other expenses	25	397,767,268	368,358,337
	<b>Total Expenses</b>		<b>1,936,016,107</b>	<b>2,304,331,419</b>
<b>V</b>	Profit before exceptional and extraordinary items and tax (III-IV)		146,301,091	95,646,615
<b>VI</b>	Exceptional & Extra Ordinary Items		-	-
<b>VII</b>	Profit Before Tax (V-VI)		146,301,091	95,646,615
<b>VIII</b>	Tax Expense:			
	(1) Current tax (Includes (excess)/short provision of Tax ₹ (-) 14,73,949/- of earlier year Previous year (₹ 4,92,116/-)		50,326,051	31,242,116
	(2) Deferred tax		(432,438)	590,808
<b>IX</b>	Profit/(Loss) for the Year from continuing operations (VII-VIII)		96,407,478	63,813,691
<b>X</b>	Profit/(Loss) from discontinuing operation		-	-
<b>XI</b>	Profit/(Loss) for period (IX+X)		96,407,478	63,813,691
<b>XII</b>	Earning per equity share:			
	(1) Basic		22.15	14.66
	(2) Diluted		22.15	14.66

Notes attached to and forming part of accounts.

As per our Audit Report of even dated.

**FOR FADNIS AND GUPTE**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTE)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR  
DIN:00209498

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR  
DIN:00144786

Indore  
Dated : 11<sup>th</sup> May 2016



**CASH FLOW STATMENT FOR THE YEAR ENDED 31.03.2016**  
(CIN No.L27106MP1988PLC004778)

PARTICULARS	2015-2016	2014-2015
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEMS	146,301,091	95,646,615
<b>Add: ADJUSTMENT FOR</b>		
Depreciation	30,750,777	30,484,480
Interest & Finance Charges	81,766,907	90,634,710
Dividend Income	(300)	(300)
Profit/Loss on sale of assets	(736,979)	(546,573)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>258,081,496</b>	<b>216,218,932</b>
<b>ADJUSTMENT FOR:</b>		
Trade & Other Receivables	195,418,683	(40,739,259)
Inventories	53,221,140	(56,404,085)
Trade and other Payables	(203,068,392)	6,435,473
Increase/(Decrease) in Working Capital Limits	(116,329,340)	(10,341,190)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>187,323,588</b>	<b>115,169,871</b>
Direct Taxes Paid	(42,421,191)	(33,627,002)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>144,902,397</b>	<b>81,542,869</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	6,365,905	1,892,589
Dividend Income	300	300
Purchase of Fixed Assets	(53,372,428)	(24,381,441)
Current Investment	-	-
Non current Investment	-	(47,694,617)
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(47,006,223)</b>	<b>(70,183,169)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest Paid	(81,766,907)	(90,634,710)
Proceeds from Long Term Borrowings	(37,981,590)	128,638,843
Dividend Paid	(4,351,800)	(4,351,800)
Dividend Tax Paid	(870,249)	(739,588)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(124,970,546)</b>	<b>32,912,745</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(27,074,372)</b>	<b>44,272,445</b>
<b>OPENING BALANCE OF CASH &amp; BANK BALANCES</b>		
Cash & Cash Equivalents	30,307,503	380,977
Other Bank Balances	23,538,624	9,192,705
	<b>53,846,127</b>	<b>9,573,682</b>
<b>CLOSING BALANCE OF CASH &amp; BANK BALANCES</b>		
Cash & Cash Equivalents	289,630	30,307,503
Other Bank Balances	26,482,125	23,538,624
	<b>26,771,755</b>	<b>53,846,127</b>

**FOR FADNIS AND GUPTÉ**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTÉ)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR  
DIN:00209498

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR  
DIN:00144786

Indore  
Dated : 11<sup>th</sup> May 2016

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FORMING PART OF THE BALANCE SHEET AS ON 31ST MARCH' 2016.**

**Overview**

Rajratan Global Wire Company Limited ('the Company') alongwith its wholly owned subsidiary, M/s. Rajratan Thai Wire Company Limited is engaged in the business of manufacturing and sale of Tyre Bead Wire. The Company is having 68% holding in Swaraj Technocrafts Pvt. Ltd. which is engaged in manufacturing of Wiredrawing Machinery and Tools. In addition, the Company has a Wind Mill located in India for generation of electricity.

**1 Significant Accounting Policies**

**1.1 Basis of Preparation of Financial Statements**

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards specified u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

**1.2 Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**1.3 Fixed assets and Depreciation**

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Depreciation is provided on the straight-line method ('SLM'). The technical estimates of useful life are in confirmatory with those prescribed in Schedule II of the Companies Act 2013.

The depreciation on the assets capitalized/sold during the year is charged on prorata basis.

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the Balance Sheet date. Advances paid for Capital Assets are not considered as Capital Work-in-Progress but classified as Long Term Advances.

**1.4 Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (Cash Generating Unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the Cash Generating Unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit & Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost..

**1.5 Investments**

The Investments are classified into current and non-current investments.

Investments classified as Non Current investment are carried at cost. Provision for diminution, if any, is made to recognize a decline other than temporary, in the value of the investment.

Investment in Rajratan Thai Wire Ltd., Thailand, being a non-monetary item which is carried in terms of historical cost denominated in Thai Baht, is reported using the exchange rate at the date of transaction. Exchange differences arising on loans, which in substance form part of net investments in Rajratan Thai Wire Co. Ltd., are accumulated in Foreign Currency Translation Reserve.

Non Current Investments in subsidiary companies intended to promote the trade or business, are classified as Trade Investments.

Current investments are stated at lower of cost and fair value.

**1.6 Inventories**

- (a) Inventories are valued at cost or net realizable value whichever is lower.
- (b) The cost of inventories comprise all costs of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition.

- (c) The cost formulas used are Weighted Average Cost in case of Raw Material and First-in- First Out ('FIFO') in case of Ancillary Raw Material and Consumable Spares.
- (d) Excise Duty is included in the value of finished goods inventory.

### **1.7 Revenue recognition**

- (a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of Value Added Tax.
- (b) Dividend income is recognized when the right to receive the dividend is established.
- (c) Interest income is recognized on the time proportion basis.
- (d) Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

### **1.8 Employee Benefits**

- (a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

- (b) Post- Employment Benefits

- (i) Defined Contribution Plans: The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the Profit & Loss account during the period in which the employee renders the related service.

- (ii) Defined Benefit Plans: The Company has taken Group Gratuity and Cash Accumulation Policy issued by the Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation as advised by LIC, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as advised by LIC.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

### **1.9 Foreign Currency Transactions**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Profit & Loss Account of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate and the resultant exchange differences are recognized in the Profit & Loss Account.

The premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is amortized as expense or income over the life of the contract..

### **1.10 Borrowing Costs**

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014.

### **1.11 Research and Development**

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on development phase is recognized as an intangible asset if it is likely to generate probable future economic benefits.

### **1.12 Taxation**

Tax expenses for the current year comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act 1961. Deferred tax is recognized, on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### 1.13 Lease

The Company classifies leases, where the lessor effectively retains substantially all the rights and benefits of ownership over the lease term, as Operating Leases. Operating lease rentals are recognized as an expense over the lease period.

The leasehold land for 99 years lease with an option to renew for a further period of 30 years has been in substance considered as equivalent to ownership of land. The premium paid on land acquisition together with the incidental cost is amortized over the period of lease.

### 1.14 Earning Per Share

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. There are no diluted potential equity share.

### 1.15 Provisions for contingencies

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the company recognizes it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are not recognized in the financial statements.

## NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>2. SHARE CAPITAL</b>		
<b>2.1 Authorised:</b>		
8,000,000 Equity Shares of ₹ 10/- each (Previous year 8,000,000 Equity Share of ₹ 10/- each)	<b>80,000,000</b>	<b>80,000,000</b>
<b>2.2 ISSUED, SUBSCRIBED AND FULLY PAID UP:</b>		
4,351,800 fully paid Up Equity Share of ₹ 10/- each (Previous Year 4,351,800 fully paid up Equity Shares or ₹ 10/- each)	43,518,000	43,518,000
	<b>43,518,000</b>	<b>43,518,000</b>
<b>2.3 Par Value Per Share</b>	₹ 10/-	₹ 10/-
<b>2.4 Reconciliation of Number of Shares</b>		
Shares outstanding as at 1st April 2015 / 1st April 2014	4,351,800	4,351,800
Shares outstanding at the end of the year	4,351,800	4,351,800
<b>2.5</b> The company has only one class of shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval by the shareholders of the company in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. During the year ended 31st March 2016, the amount of per share dividend recognized as distributions to equity share holders is Re. 1.2/- per Share (Previous Year Re. 1/- per Share). The total dividend appropriation for the year ended March 31, 2016 amounts to ₹ 6,285,287/- including Corporate Dividend Distribution Tax of ₹ 1,063,127/- ( Previous Year ₹ 5,222,049/- including Corporate Dividend Distribution Tax ₹ 870,249/-).		

PARTICULARS		AS AT 31st MARCH-2016		AS AT 31st MARCH-2015		
2.6	List of shareholders holding more than 5% of the total number of shares issued by the Company :					
	Name of the share holder	No. of Shares	%	No. of Shares	%	
	Rajratan Investment Limited	782,881	17.99	782,881	17.99	
	Avalokiteshvar Valinv Limited	-	-	625,200	14.37	
	Renaissance Advanced Consultancy Ltd. (Transferred from Avalokiteshvar Valinv Limited as per scheme of Arrangement approved by Hon'ble High Court of Delhi)	625,200	14.37	-	-	
	Rajratan Resources Pvt Limited	381,420	8.76	381,420	8.76	
	Mrs. Sangita Chordia	558,100	12.82	558,100	12.82	
	Mr. Sunil Chordia	479,390	11.02	479,390	11.02	
	Mr. Yashovardhan Chordia	268,000	6.16	268,000	6.16	
3.	RESERVES AND SURPLUS					
3.1	(A) Capital Reserves					
	State Investment Subsidy		1,500,000		1,500,000	
	Balance as per last account (A)					
3.2	(B) Securities Premium Reserve					
	Balance as per last account (B)		83,985,200		83,985,200	
3.3	(C) Other Reserves					
	General Reserve					
	Opening Balance		366,000,000		364,000,000	
	Add: Transferred From Profit & Loss account		70,000,000		2,000,000	
	Closing Balance (C)		436,000,000		366,000,000	
3.4	(D) Surplus					
	Statement of Profit & Loss					
	Opening Balance		323,590,355		275,998,848	
	Less: Carrying value of assets whose useful life exhausted		-		13,024,797	
	Add: Reversal of deferred tax liability of above		-		4,024,662	
	Add: Profit For The Year		96,407,478		63,813,691	
			419,997,833		330,812,404	
	Less: Appropriations					
	Transfer to General Reserve		70,000,000		2,000,000	
	Proposed Dividend		5,222,160		4,351,800	
	Corporate Dividend Tax		1,063,127		870,249	
	Closing Balance (D)		343,712,546		323,590,355	
	Total (A+B+C+D)		865,197,746		775,075,555	
4	LONG-TERM BORROWINGS					
4.1.1	Term Loans Secured					
	From Banks		138,000,000		175,000,000	
	From Others		-		981,590	
			138,000,000		175,981,590	
	The Outstanding of Long Term Borrowings are net of installment due within next 12 months aggregating to ₹ 67,981,590/- (Previous year ₹ 55,861,157/-) which are classified as current liabilities.					
4.2	SECURITY:					
	A. Term loans outstanding ₹ 138,000,000/- (Previous year ₹ 175,000,000/-) are secured by way of an equitable mortgage of immovable properties with State Bank of India, Indore ranking pari passu amongst the lenders and by a first charge by way of hypothecation of all the company's movable machinery, present and future, subject to prior charges created in favour of Company's Bankers on the stock of raw materials, goods in process, finished and manufactured goods and Book Debts towards security for working capital facilities. Term loans are also secured by personal guarantee of the Managing Director.					
	B. Vehicle loan outstanding ₹ NIL/- (Previous Year 981,590/-) is secured by hypothecation of Motor Car.					
4.3	Terms of Repayment of Long Term Borrowings					
	Particulars	Total Tenor of Loan	Frequency of Installment	No. of Installment due as on 31.3.2016	Amount Outstanding	Rate of Interest
	State Bank of India	4 years	Quarterly	4	21,325,874	12.95
	State Bank of India	5 years	Quarterly	16	155,871,205	12.95
	State Bank of India	3 years	Quarterly	12	30,010,726	12.95
	Daimler Financial Services (I) P L	3 Years	Monthly	8	981,590	9.49



PARTICULARS	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>5 DEFERRED TAX LIABILITIES (Net)</b>		
<b>5.1</b> Deferred Tax Liabilities		
On account of tax effects on timing difference arising due to difference in Depreciation	80,393,240	81,026,066
<b>5.2</b> Deferred Tax Assets		
On Account of disallowance u/s 43B of the Income Tax Act (net of reversals of DTA created in earlier year)	-	200,388
<b>5.3 Net Deferred Tax Liabilities</b>	<b>80,393,240</b>	<b>80,825,678</b>
<b>6 SHORT-TERM BORROWINGS</b>		
<b>Secured:</b>		
<b>6.1 Loans repayable on demand</b>		
From Bank	302,436,860	415,296,647
<b>Unsecured:</b>		
<b>6.2 Loans and advances from related parties</b>	13,950,898	17,420,451
<b>(Refer Note No. 40)</b>		
	<b>316,387,758</b>	<b>432,717,098</b>
<b>6.4 Security: A.</b> Loans repayable on demand from State Bank of India, Indore and IDBI Bank Ltd., Indore are Working Capital Loans and are secured by hypothecation of company's stock and book debts, present & future and by a second charge on all the immovable properties of the company and plant and machinery, machinery spares, tools and accessories and other movables both present and future. Such advances are also secured by personal guarantees of the Managing Director.		
<b>B.</b> Loans and advances from related parties and other loans and advances are unsecured.		
<b>7 TRADE PAYABLES</b>		
<b>7.1</b> Trade payables (Ref. Note No. 36)		
(i) Payable to entities covered under Micro, Small and Medium Enterprises Act, 2006	--	-
(ii) Other	69,461,920	280,553,037
	<b>69,461,920</b>	<b>280,553,037</b>
<b>8 OTHER CURRENT LIABILITIES</b>		
<b>8.1</b> Current Maturities of Long Term debts	67,981,590	55,861,157
<b>8.2</b> Interest accrued and due on borrowings	2,207,805	2,587,074
<b>8.3</b> Interest accrued but not due on borrowings	1,175,385	675,761
<b>8.4</b> Unpaid Dividends	623,009	621,624
<b>8.5</b> Other Payable	8,891,781	15,552,919
	<b>80,879,570</b>	<b>75,298,535</b>
Other payable Pertain to		
(i) Statutory Liabilities	5,727,591	13,043,377
(ii) Creditors for Capital Goods	2,647,414	213,656
(iii) Advance from Customers	516,776	2,295,887
	<b>8,891,781</b>	<b>15,552,919</b>
<b>9 SHORT-TERM PROVISIONS</b>		
<b>9.1</b> Provision for Employee Benefits	5,773,409	3,331,718
<b>9.2</b> Income Tax (Net of advance Tax ₹ 4,36,82,211/- (Previous Year ₹ 30,537,072/-)	8,117,790	212,928
<b>9.3</b> Proposed Dividend (Including Dividend Distribution Tax of ₹ 1,063,127/-, Previous Year ₹ 870,249/-)	6,285,287	5,222,049
	<b>20,176,486</b>	<b>8,766,695</b>

NOTE ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2016

**NOTE-10 : FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As On 01.04.15	Additions for the year	Deduction during the year	As on 31.03.16	Upto 01.04.15	for the year	Written Back	Upto 31.03.16	As On 31.03.16	As On 31.03.15
<b>I. TANGIBLE ASSETS</b>										
A. Land										
Free Hold Land	2,105,978	-	-	2,105,978	-	-	-	-	2,105,978	2,105,978
Lease Hold Land	2,003,199	-	-	2,003,199	485,624	20,234	-	505,858	1,497,341	1,517,575
B. Site Development	14,972,596	202,218	-	15,174,814	14,076,114	546,847	-	14,622,961	551,853	896,482
C. Building	68,689,332	1,646,169	-	70,335,501	29,430,530	2,361,021	-	31,791,551	38,543,950	39,258,802
D. Plant and Equipment	652,619,398	23,949,003	11,448,741	665,119,660	303,344,574	24,497,404	5,819,815	322,022,163	343,097,498	349,274,824
E. Furniture and Fixtures	10,724,605	536,656	-	11,261,261	7,238,016	1,032,562	-	8,270,578	2,990,683	3,486,589
F. Vehicles	12,646,933	625,500	1,085,201	12,187,232	4,990,680	1,549,345	1,085,201	5,454,824	6,732,408	7,656,253
G. Office Equipment	3,576,341	280,200	-	3,856,541	2,881,209	266,322	-	3,147,531	709,010	695,132
H. Other Assets	5,393,391	1,091,029	-	6,484,420	4,539,181	477,042	-	5,016,223	1,468,197	854,210
<b>TOTAL</b>	<b>772,731,773</b>	<b>28,330,775</b>	<b>12,533,942</b>	<b>788,528,606</b>	<b>366,985,928</b>	<b>30,750,777</b>	<b>6,905,016</b>	<b>390,831,689</b>	<b>397,696,918</b>	<b>405,745,845</b>
<b>PREVIOUS YEAR</b>	<b>766,363,508</b>	<b>21,728,497</b>	<b>15,360,232</b>	<b>772,731,773</b>	<b>350,515,665</b>	<b>30,484,480</b>	<b>14,014,217</b>	<b>366,985,929</b>	<b>405,745,845</b>	<b>428,872,639</b>
CAPITAL WORK IN PROGRESS	2,992,770	50,234,119	25,192,467	28,034,422	-	-	-	-	28,034,422	2,992,770
<b>PREVIOUS YEAR</b>	<b>339,825</b>	<b>16,054,215</b>	<b>13,401,270</b>	<b>2,992,770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,992,770</b>	<b>2,774,483</b>

**PARTICULARS**

**AS AT  
31st MARCH-2016**

**AS AT  
31st MARCH-2015**

**11 NON-CURRENT INVESTMENTS**

**Investment in Equity Instruments**

**11.1 Trade Investment in equity of subsidiary companies**

(i) 119,000 Equity shares of ₹10/- each, fully paid up in M/s. Swaraj Technocrafts Pvt. Ltd. (Previous year 119,000 Equity shares of ₹10/- each) (Extent of shareholding 68%)	5,496,500	5,496,500
(ii) 25,967,000 Equity shares of Bhat 10/- each, fully paid up in M/s. Rajratan Thai Wire Company Limited, Thailand (Previous year 25,967,000 Equity shares of Bhat 10/- each) (Wholly owned Subsidiary) Out of the total shares held in M/s. Rajratan Thai Wire Co. Ltd., Thailand the company has pledged 9,190,100 (Previous year 9,190,100) equity shares, with State Bank of India and with ICICI Bank Ltd., against the loans sanctioned by them to the said subsidiary	383,758,144	383,758,144

**11.2 Non Trade investment**

250 Equity Shares of ₹ 10 Each of M/s Shamrao Vithaldas Co. operative Society Limited, Mumbai (Fully Paid up)	2,500	2,500
	<b>389,257,144</b>	<b>389,257,144</b>

**11.3** The above non current (trade & non trade) investments are unquoted and valued at cost

**12 LONG-TERM LOANS AND ADVANCES**

**12.1 Capital advance**

Unsecured, Considered good	9,046,970	14,392,091
Included advance to M/s. Cee Cee Engineering Industries Private Limited Company under the control of key Management Person (Refer Note No. 40) (₹ 7,436,411/- Previous year ₹ 14,392,091/-)		

PARTICULARS	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>12.2 Security Deposits</b>		
Unsecured, Considered good	6,265,591	12,462,376
<b>12.3 Loans and Advances to Related Parties (refer note No. 42)</b>		
Unsecured, Considered good		
Loan to Wholly Owned Subsidiary Rajratan Thai Wire Co., Limited	94,021,196	84,348,327
<b>12.4 Other Loans and Advances</b>		
Unsecured, Considered good	--	580,195
<b>Total</b>	<b>109,333,757</b>	<b>111,782,989</b>
<b>13. CURRENT INVESTMENT</b>		
<b>13.1 Raw Materials:</b>		
Wire Rod	81,918,027	98,987,638
Ancillary Raw Material	16,056,650	19,821,177
<b>13.2 Work-in-Progress;</b>	3,903,750	4,375,906
<b>13.3 Finished Goods;</b>	33,744,591	67,818,218
<b>13.4 Consumable Spares</b>	16,092,186	13,933,405
<b>Total</b>	<b>151,715,204</b>	<b>204,936,344</b>
<b>13.5</b> Inventories are valued at cost or net realisable value whichever is lower. The cost formulas used are Weighted Average Cost in case of Raw Material and First-in First Out ('FIFO') in case of Ancillary Raw Material and Consumable Spares. The cost of inventories comprises all cost of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition. Excise Duty is included in the value of finished goods inventory.		
<b>14. TRADE RECEIVABLES</b>		
<b>14.1</b> Unsecured, Considered good		
(a) Trade Receivable outstanding for period exceeding six months from the date they are due for payment	10,388,780	9,213,241
(b) Others (Include ₹ 7,372,271/- (Previous Year ₹ 202,993,651/- ) due from wholly owned subsidiary - Rajratan Thai Wire Company Limited, Thailand)	456,498,250	646,304,163
<b>Total</b>	<b>466,887,030</b>	<b>655,517,405</b>
<b>15. CASH AND BANK BALANCES</b>		
<b>15.1 Cash and Cash Equivalents</b>		
(a) Balances with Banks		
Current Accounts	15,324	30,017,066
(b) Cash on hand Including foreign currency	274,306	290,437
	<b>289,630</b>	<b>30,307,503</b>
<b>15.2 Other Bank Balances</b>		
(a) Current Account held as Margin Money	6,500,000	6,500,000
(b) Fixed Deposit Account held as margin money	19,359,116	16,417,000
(c) Unpaid Dividend Accounts	623,009	621,624
	<b>26,482,125</b>	<b>23,538,624</b>
<b>Total</b>	<b>26,771,755</b>	<b>53,846,127</b>
<b>16. SHORT-TERM LOANS AND ADVANCES (Unsecured &amp; Considered good)</b>		
<b>16.1 Other Loans &amp; Advances</b>		
(i) Advances recoverable in cash or in kind or for value to be received	18,153,116	15,681,081
(ii) Balance with Government Authorities	25,447,554	32,742,842
<b>Total</b>	<b>43,600,670</b>	<b>48,423,923</b>

PARTICULARS		AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>17. OTHER CURRENT ASSETS</b>			
Interest Accrued on Fixed deposit		717,820	233,643
<b>Total</b>		<b>717,820</b>	<b>233,643</b>
<b>18. REVENUE FROM OPERATIONS</b>			
Sale of Manufactured goods		2,042,947,433	2,094,865,395
Sale of Traded goods		239,139,224	519,078,464
Other Operating Income		2,342,217	2,011,770
<b>Total</b>		<b>2,284,428,874</b>	<b>2,615,955,629</b>
Less:- Excise Duty		215,445,372	225,846,385
		<b>2,068,983,502</b>	<b>2,390,109,244</b>
<b>19. OTHER INCOME</b>			
Interest Income		11,486,250	8,951,816
Dividend from Long Term Investment		300	300
Profit on Sale of Fixed Assets		736,979	546,573
Gain on Exchange Fluctuation		1,032,289	-
Credit Balance Written back (Net)		76,138	370,101
Miscellaneous receipts		1,740	-
<b>Total</b>		<b>13,333,696</b>	<b>9,868,790</b>
<b>20. COST OF MATERIAL CONSUMED</b>			
<b>Material Consumed Comprises of:</b>			
Wire Rod		1,027,627,611	1,215,127,562
Ancillary Raw material		23,204,127	19,080,271
<b>Total</b>		<b>1,050,831,738</b>	<b>1,234,207,833</b>
<b>21. COST OF TRADED GOODS</b>			
Wire Rod		235,892,304	516,784,755
Others		797,630	812,125
<b>Total</b>		<b>236,689,934</b>	<b>517,596,880</b>
<b>22. CHANGE IN INVENTORIES OF FINISHED GOODS AND &amp; WORK-IN-PROGRESS</b>			
<b>Opening Stock</b>			
Work-in-Progress		4,375,906	6,330,174
Finished Goods		67,818,218	29,310,159
		<b>72,194,124</b>	<b>35,640,333</b>
<b>Closing Stock</b>			
Work-in-Progress		3,903,750	4,375,906
Finished Goods		33,744,591	67,818,218
		<b>37,648,341</b>	<b>72,194,124</b>
<b>Change in Inventories of Finished Goods &amp; Work-in-Progress</b>	<b>Total</b>	<b>34,545,783</b>	<b>(36,553,791)</b>
<b>Particulars</b>		<b>Year Ended 31st March-2016</b>	<b>Year Ended 31st March-2015</b>
<b>23. EMPLOYEE BENEFITS EXPENSES</b>			
Salary, Wages, Bonus & Allowances		92,143,366	88,431,536
Contribution to Provident Fund		4,615,351	4,521,214
Contribution to ESIC		1,689,282	1,716,141
Staff Welfare Expenses		2,658,061	2,769,443
Contribution to Gratuity Fund		1,785,613	1,358,415
Medical Expenses Reimbursement		772,027	806,221
		<b>103,663,700</b>	<b>99,602,970</b>

PARTICULARS		YEAR ENDED 31st MARCH-2016	YEAR ENDED 31st MARCH-2015	
<b>24. FINANCE COST</b>				
Interest Expenses		61,016,010	68,588,492	
Other Borrowing Costs		20,750,897	22,046,218	
<b>Total</b>		<b>81,766,907</b>	<b>90,634,710</b>	
<b>25. OTHER EXPENDITURE</b>				
Power & Fuel		191,014,102	182,967,682	
Less: Recovery of energy generated by Windmill		(11,965,173)	(10,669,416)	
		<b>179,048,929</b>	<b>172,298,266</b>	
Consumable Stores		26,595,491	25,486,292	
Packing Material		16,436,581	16,041,040	
Freight Inward		20,498,854	19,138,412	
Freight Outwards		74,090,354	70,225,915	
Rent		516,000	316,000	
Repair to Building		2,290,842	4,319,060	
Repair to Machinery		38,558,154	30,308,542	
Insurance		433,818	403,986	
Rates & Taxes, excluding taxes on income		3,858,691	2,994,874	
Miscellaneous Expenses (Below 1% of revenue from Operations)		35,439,554	26,825,950	
<b>Total</b>		<b>397,767,268</b>	<b>368,358,337</b>	
<b>26. CONTINGENT LIABILITIES AND COMMITMENTS</b>				
<b>26.1 Contingent Liabilities</b>				
(a) Claims against the company not acknowledged as debt;		Nil	Nil	
(b) Guarantees;				
(i) Bank Guarantee		Nil	1,000,000	
(ii) Corporate Guarantee for the credit facilities availed by M/s. Rajratan Thai Wire Co. Ltd., Thailand the Wholly Owned subsidiary of the company.		US\$ 10.70 Million	US\$ 17.50 Million	
(c) 9,190,100 (Previous Year 9,190,100) equity shares of M/s. Rajratan Thai Wire Co.Ltd. (RTWL), Thailand have been pledged with State Bank of India and ICICI Bank Ltd, against loans sanctioned by them to RTWL				
(d) Other money for which the company is contingently liable Income Tax & Excise appeals for which no provision is considered required as the company is hopeful of successful outcome in the appeals				
Particulars	Nature of	Financial year	Amount in ₹	Forum where dispute is pending
Income Tax	Penalty	2003-04	200,000	CIT (A) -II Indore
Central Sales Tax	Matter related to Declaration Form	2008-09	955,403	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2009-10	221,155	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2011-12	506,565	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2012-13	248,911	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2013-14	792,212	Appellate Board, Bhopal
Central Sales Tax	Matter related to Form 49	2015-16	180,555	Before Commercial Tax Officer, Villupuram
Service Tax	Consulting Engineering Services	2005-06	584,233	Customs, Central Excise & Service Tax Appellate, Tribunal, New Delhi
Service Tax	Service Tax on Banking Services	2004 to 15	2,420,603	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	Cenvat Credit Availed on Capital Goods	2005 to 09	1,152,642	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	Cenvat Credit Availed on GI Wire	2015-16	14,663	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	Cenvat Credit Availed on Trading Activity	2015-16	4,284,025	The Company is in process to file appeal before Commissioner (A), Bhopal



There are no pending litigation other than those mentioned above. The total impact on the financial statements of pending litigation is ₹ 11,560,967/- (Previous year ₹ 40,37,738/-), if decided against the Company. The Management is confident that all pending Litigation will be dedicate in favour of the Company and there is no expected outflow of resources on this account, except some additional tax liability which may arise on account of non receipt of "C" form.

**26.2 Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for;

12,013,422

36,93,153

**27. Value of Raw Materials consumed:**

	Amount in ₹ Value 2015-16	%	Amount in ₹ Value 2014-15	%
<b>Raw Material</b>				
Imported	491,558,234	48	542,199,410	45
Indigenous	536,069,377	52	672,928,152	55
<b>Total</b>	<b>1,027,627,611</b>	<b>100</b>	<b>1,215,127,562</b>	<b>100</b>
<b>Ancillary Raw Material</b>				
Imported				
Indigenous	23,204,127		19,080,271	
<b>Total</b>	<b>23,204,127</b>		<b>19,080,271</b>	
<b>Total Raw Material Consumed</b>	<b>1,050,831,738</b>		<b>1,234,207,833</b>	

**28. Value of Consumable Stores :**

Imported		21,795
Indigenous	26,595,491	25,464,497
<b>Total</b>	<b>26,595,491</b>	<b>25,486,292</b>

**29. Work in Progress comprises of Wire Rods under conversion into Tyre Bead Wires.**

3,903,750

4,375,906

**30. Value of Imports on CIF basis**

(i) Raw Material	422,611,309	486,656,163
(ii) Components & Spare Parts	476,807	1,016,199
(iii) Capital Goods	5,351,297	-
(iv) Consumables	-	21,795
(v) Trading Goods	235,892,305	464,834,990

**31. Other Expenditure in Foreign Currency**

(i) Traveling Expenses	139,015	245,208
(ii) Testing Fees	35,017	46,494
(iii) Technical Consultancy	678,964	652,968
(iv) Return of Empty Spools & Cages	1,479,827	1,334,441

**32. Earnings in Foreign Exchange**

(i) F.O.B. Value of Exports (Manufactured Goods)	63,169,787	64,762,711
(ii) Interest received from Rajratan Thai Wire Co. Ltd.	4,477,200	1,764,002

**33. Details of Prior Period Incomes**

i) On account of Interest Received	--	217,196
------------------------------------	----	---------

**34. Details of expenses on Corporate Social Responsibility**

The Company has incurred a sum of ₹ 699,600/- on expenses related to Corporate Social Responsibility. However the Company has not spent the total amount of ₹ 1,985,628/- being 2% of average Profit of last three year. Therefore there is a shortfall of ₹ 1,286,028/- for the year to be spent on CSR activities. The total shortfall as on Balance Sheet date is ₹ 2,782,410/-. The Management is in the process of identifying some good projects that can be supported by the Company.

**35. In the opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances have a value realizable in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.**

**36. Micro, Small and Medium Enterprises Development Act, 2006**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006. Certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Management has confirmed that none of the suppliers have confirmed that they are registered under the provisions of this Act. In view of this, the liability of the interest and disclosures are not required to be disclosed in the financial statement.

**37. Auditor's Remuneration**

(Amount in ₹)

	<u>31/03/2016</u>	<u>31/03/2015</u>
- Statutory Audit	225,000/-	200,000/-
- Tax Audit	50,000/-	50,000/-
- Certificates & Other Reports.	50,000/-	50,000/-
<b>Total ₹</b>	<b><u>325,000/-</u></b>	<b><u>300,000/-</u></b>

**38.** The disclosure required as per Accounting Standard (AS) 15 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule of the Companies (Accounts) Rule, 2014 and based on the report issued by Life Insurance Corporation of India (LIC) is as under:-

(a) The company has taken Group Gratuity and Cash Accumulation Policy issued by the LIC which is a defined benefit plan.

(b) **Table showing changes in present value of obligations as on**

(Amount in ₹)

	<u>31/03/2016</u>	<u>31/03/2015</u>
Present value of obligations as at beginning of the year	16,916,910	14,892,924
Present value of obligations as at beginning New Policy	65,221	NIL
Interest Cost	1,358,571	1,191,434
Current Service Cost	1,142,873	1,132,855
Benefit Paid	(1,837,022)	(524,122)
Actuarial (gain)/loss on obligations	744,862	223,819
Present value of obligations as at end of the year	<b><u>18,391,415</u></b>	<b><u>16,916,910</u></b>

(c) **Table showing changes in the fair value of plan assets as on**

	<u>31/03/2016</u>	<u>31/03/2015</u>
Fair value of plan assets at beginning of the year	17,656,673	12,871,371
Expected return on plan assets	1,460,692	1,235,039
Contribution	1,429,613	4,029,143
Benefit Paid	(1,837,022)	(524,122)
Actuarial (gain)/loss on plan assets	Nil	Nil
Fair value of the plan assets at the end of the year	<b><u>18,709,956</u></b>	<b><u>17,611,431</u></b>

(d) **Table showing fair value of plan assets as on**

	<u>31/03/2016</u>	<u>31/03/2015</u>
Fair value of plan assets at beginning of the year	17,656,673	12,871,371
Actual return on plan assets	1,460,692	1,235,039
Contribution	1,429,613	4,029,143
Benefit Paid	(1,837,022)	(524,122)
Fair value of the plan assets at the end of the year	18,709,956	17,611,431
Funded status	318,542	694,521
Excess of actual over estimated return on plan assets	Nil	Nil

(e) **Actuarial Gain/(Loss) recognized as on 31/03/2016**

	<u>31/03/2016</u>	<u>31/03/2015</u>
Actuarial Gain/(Loss) for the year-obligation	(744,861)	(223,819)
Actuarial Gain/(Loss) for the year-plan assets	Nil	Nil
Total (Gain)/Loss for the year	744,861	223,819
Actuarial (Gain)/Loss recognized for the year	744,861	223,819

(f) **Expenses recognized in statement of profit and loss**

	<u>31/03/2016</u>	<u>31/03/2015</u>
Current Service Cost	1,142,873	1,132,855
Interest cost	1,358,571	1,191,434
Expected return on Plan Asset	(1,460,692)	(1,235,039)
Net Actuarial (Gain)/Loss recognized in the year	744,861	223,819
Expenses recognized in the statement of profit & loss Under AS 15	1,785,613	1,313,069

(g) **Assumption**

	<u>31/03/2016</u>	<u>31/03/2015</u>
Discount rate	8%	8%
Salary Escalation	7%	7%

**39.** In accordance with the Accounting Standard (AS) 17 "Segment Reporting" issued by The Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014 the Company has only one reportable segment "Bead Wire" for the current year.

**40.** In accordance with the Accounting Standard (AS)18 "Related Party Disclosures" issued by The Institute of Chartered Accountants

of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014 the names of the related parties and the relevant disclosure is as under:-

**(a) Name of the related party and description of relationship:**

**i. Key Management Personnel:**

- 1) Mr. Sunil Chordia - Managing Director
- 2) Mr. Deepesh Trivedi - Executive Director (upto 31.10.2015)
- 3) Smt. Sangeeta Chordia - Whole Time Director

**ii. Relatives of Key Managerial Personnel**

- 1) Smt. Shantadevi Chordia Mother of Shri Sunil Chordia
- 2) Shri Yashovardhan Chordia S/o Shri Sunil and Smt. Sangeeta Chordia

**iii. Companies/entities under the control of Key Management personnel**

- 1) M/s. Rajratan Resources Pvt. Ltd.,
- 2) M/s. Rajratan Investment Ltd,
- 3) M/s. Cee Cee Engineering Industries Pvt. Ltd.

**iv. Subsidiary**

- 1) M/s. Rajratan Thai Wire Company Ltd., Thailand
- 2) M/s. Swaraj Technocraft Pvt. Ltd.

**The Following Transactions were Carried Out with the Related Parties in the Ordinary Course of Business**

Sr. No.	Transactions	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel	Subsidiary
1.	Purchase of Goods	- (-)	- (-)	- (-)	2,233,244 (671,108)
2.	Closing Balance of Payables	- (-)	- (-)	- (135,017)	- (52,400)
3.	Sale of Goods	- (-)	- (-)	- (-)	2,39,146,726 (447,121,214)
4.	Closing Balance of Receivable	- (-)	- (-)	- (-)	7,372,271 (202,993,651)
5.	Job work charges Paid	- (-)	- (-)	3,814,781 (4,203,781)	261,003 (54,579)
6.	Purchase of Assets (net of returns)	- (-)	- (-)	- (7,593,580)	25,803,863 (3,148,051)
7.	Sale of Assets	- (-)	- (-)	- (-)	1,030,891 (325,199)
8.	Refund of Capital Advance (Land)	- (-)	- (-)	7,877,711 (15,260,000)	- (-)
9.	Capital Advance (Closing Balance)	-	-	7,436,411 (14,392,091)	- (-)
10.	Equity Investment	- (-)	- (-)	- (-)	- (47,694,617)
11.	Unsecured Loan (net of Repayment)	3,018,000 (8,970,000)	- (-)	8,065,782 (-2,966,500)	- (-)
12.	Unsecured Loan Closing Balance	13,950,898 (9,354,669)	- (-)	- (8,065,782)	- (-)
13.	Loan Given	- (-)	- (-)	- (-)	- (81,325,188)
14.	Closing Balance of Loan Given	- (-)	- (-)	- (-)	94,021,196 (84,348,327)
15.	Interest Paid	1,753,588 (427,410)	- (-)	221,464 (1,650,134)	- (-)
16.	Interest Received	- (-)	- (-)	1,024,479 (2,497,055)	4,477,200 (1,764,002)
17.	Remuneration	10,715,234 (10,541,950)	- (-)	- (-)	- (-)
18.	Rent	108,000 (108,000)	108,000 (108,000)	-	-
19.	Job Work Charges Received	- (-)	- (-)	- (-)	24,000 (-)

The figures mentioned in the brackets are for previous year figures.

- 41.** In accordance with the Accounting Standard (AS) 19 “Leases” issued by The Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014 details of operating lease are as under:

S.No.	Particulars	31st March, 2016	31st March, 2015
1.	Total of future minimum lease payments under noncancellable operating leases for each of the following periods: i. not later than one year; ii. later than one year and not later than five years; iii. later than five years;	20,234/- 80,937/- 1,396,170/-	20,234/- 80,937/- 1,416,404/-
2.	Total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date;	NIL	NIL
3.	Lease payments recognized in the statement of profit and loss for the period, i. minimum lease payments; ii. contingent rents;	262,400 NIL	349,264/- NIL
4.	Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the period;	NIL	NIL
5.	The company has a leasehold land, for 99 year lease with an option to renew for a further period of 30 years.		

**42. Earning Per Share :**

The Company’s share capital consists of equity share. The basic and diluted earning per share is calculated as under:

Sr. No.	Nature of Transaction	Current Year	Previous Year
1.	Number of Shares at the Commencement	4,351,800	4,351,800
2.	Shares issued during the year	Nil	Nil
3.	No. of Shares at the end of the Year	4,351,800	4,351,800
4.	Profit After Taxes	96,407,478	63,813,691
5.	Extra Ordinary Items (Within the meaning of AS-5, Net Profit or Loss for the period, Prior Period items and Changes in the Accounting Policies)	Nil	Nil
6.	Basic Earning Per Share	22.15	14.66
7.	Diluted Earning Per Share	22.15	14.66
8.	Nominal Value Per Share	10.00	10.00

**43. Particulars of Loans, Guarantees or Investments in accordance with Section 186 of the Companies Act, 2013**

Sr.No.	Particulars	Name of Entity	Relation	Purpose	Amount
1.	Loan Given*	Inter Corporate Deposits	--	Business Purpose	₹ 6.20 Crores
2.	Guarantee Given#	Rajratan Thai Wire Co. Limited	Wholly Owned Subsidiary	Corporate Guarantee for the credit facilities availed by the M/s Rajratan Thai Wire Co. Ltd, Thailand Wholly owned subsidiary of the Company	USD 10.70 Million
3.	Investments Made	1. Swaraj Technocrafts Pvt Ltd. 2. Rajratan Thai Wire Co. Ltd. 3. M/s Shamrao Vithaldas Co. Operative Society Limited	1. Subsidiary 2. Wholly Owned Subsidiary 3. None	Investment	₹ 38.92 Crores

\*Out of the unsecured inter corporate loan of ₹ 6.20 Crores given during the year to various parties the outstanding balance as on 31.03.2016 is 0.50 Crore.

# The opening amount of corporate guarantee given in favour of wholly owned subsidiary as on 01.04.2015 was USD 17.50 Million, however the same was reduced to USD 10.70 Million during the year.

- 44.** Previous Year’s figures have been regrouped and recast wherever considered necessary to make them comparable with the current year’s figures.

**FOR FADNIS AND GUPTÉ**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTÉ)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR  
DIN:00209498

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR  
DIN:00144786

Place : Indore, Dated : 11<sup>th</sup> May 2016



INDEPENDENT AUDITOR'S REPORT

To,  
The Shareholders of  
Rajratan Global Wire Limited  
Indore

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Rajratan Global Wire Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

**Other Matters**

We did not audit the financial statements / financial information of Rajratan Thai Wire Limited, subsidiary, whose financial statements / financial information reflect total assets of ₹ 86,86,32,816/- as at 31st March, 2016, total revenues of ₹ 95,68,31,837/- and net cash outflows amounting to ₹ 55,734/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors of Thailand whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (1) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

- The provisions of the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, are not applicable to the consolidated financial statements.
- As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - In our opinion, proper books of account/ records as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on 31st March, 2016 from being appointed as a director of that company in terms of Section 164 (2) of the Act.

- With respect to the adequacy of the internal financial controls over financial reporting of the Group other than Rajratan Thai Wire Company Limited which is incorporated outside India and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group- Refer Note 26.1 (d) to the consolidated financial statements.
  - The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR FADNIS & GUPTE**  
Chartered Accountants  
FRN : 006600C  
(CA.Vikram Gupta)  
Partner  
M.No. 074814

Place of Signature: Indore  
Date: 11.05.2016

ANNEXURE-A TO THE AUDITOR'S REPORT

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Rajratan Global Wire Limited ("the Holding Company") and its subsidiary company (Swaraj Technocrafts Pvt. Ltd.) which is company incorporated in India, as of 31 March 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company and its subsidiary company (Swaraj Technocrafts Pvt. Ltd.), which is company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company and its aforementioned subsidiary company, which are company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR FADNIS & GUPTE**  
Chartered Accountants  
FRN : 006600C  
(CA.Vikram Gupta)  
Partner  
M.No. 074814

Place of Signature: Indore  
Date: 11.05.2016



CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2016

(Amount in ₹)

PARTICULARS	NOTE NO.	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	43,518,000	43,518,000
(b) Reserves and Surplus	3	626,818,893	468,566,268
		<u>670,336,893</u>	<u>512,084,268</u>
<b>(2) Minority Interest</b>		3,911,605	5,835,455
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	139,756,500	267,576,167
(b) Deferred Tax Liabilities (Net)	5	81,837,609	82,319,562
		<u>221,594,109</u>	<u>349,895,729</u>
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	6	698,625,468	811,492,838
(b) Trade Payables	7	263,558,969	330,775,928
(c) Other Current Liabilities	8	164,354,719	190,496,592
(d) Short-Term Provisions	9	21,744,102	8,959,637
		<u>1,148,283,259</u>	<u>1,341,724,995</u>
<b>Total</b>		<b><u>2,044,125,866</u></b>	<b><u>2,209,540,447</u></b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	10	996,264,202	1,027,173,985
(ii) Intangible Asset		865,917	1,162,260
(iii) Capital work-in-progress		56,931,233	7,846,876
		<u>1,054,061,352</u>	<u>1,036,183,121</u>
(b) Goodwill on Consolidation		749,034	749,034
(c) Non-Current Investments	11	2,500	2,500
(d) Long Term Loans and Advances	12	22,643,384	46,135,224
		<u>23,394,918</u>	<u>46,886,758</u>
<b>(2) Current Assets</b>			
(a) Inventories	13	296,767,957	384,986,135
(b) Trade Receivables	14	578,981,287	607,594,953
(c) Cash and Bank Balances	15	28,852,610	56,019,235
(d) Short-Term Loans and Advances	16	61,222,325	77,509,070
(e) Other Current Assets	17	845,417	361,175
		<u>966,669,596</u>	<u>1,126,470,568</u>
<b>Total</b>		<b><u>2,044,125,866</u></b>	<b><u>2,209,540,447</u></b>

Notes attached to and forming part of Accounts

I

As per our Audit Report of even dated.

**FOR FADNIS AND GUPTE**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTE)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR  
DIN:00209498

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR  
DIN:00144786

Indore  
Dated : 11<sup>th</sup> May 2016

**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016**  
(Amount in ₹)

PARTICULARS		NOTE NO.	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
I	Revenue from Operations	18	3,048,172,462	2,965,231,313
	Less: Excise duty		220,258,998	229,426,222
	Revenue from Operations (Net)		2,827,913,464	2,735,805,091
II	Other Income (include Prior Period Income ₹ NIL Previous year ₹ 217,196 )	19	7,984,196	9,546,085
<b>III</b>	<b>Total Revenue (I +II)</b>		<b>2,835,897,660</b>	<b>2,745,351,176</b>
IV	Expenses:			
	Cost of materials consumed (include Prior Period ₹ NIL, Previous year ₹ 1,194,927/-)	20	1,563,350,090	1,771,794,350
	Purchase of Stock-in-Trade	21	-	75,316,273
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	75,547,684	(79,005,188)
	Employee Benefit Expense	23	176,391,713	173,713,750
	Finance Costs	24	146,945,605	140,576,888
	Depreciation and amortization expense	25	67,720,695	67,459,028
	Other expenses (Included Prior Period NIL)		593,368,633	546,541,499
	<b>Total Expenses</b>		<b>2,623,324,420</b>	<b>2,696,396,600</b>
V	Profit before exceptional and extraordinary items and tax (III-IV)		212,573,241	48,954,576
VI	Exceptional Items & Extra Ordinary Items		-	-
VII	Profit before tax (V-VI)		212,573,241	48,954,576
VIII	Tax Expenses:			
	(1) Current Tax (Includes (excess)/short provision of Tax ₹ (-)1,473,949/- of earlier year, Previous Year ( ₹ 492,116/-)		50,282,275	31,242,116
	(2) Deferred Tax		(481,952)	550,028
IX	Profit/(Loss) for the period from continuing operations (VII-VIII) before Minority Interest		162,772,918	17,162,432
X	Minority Interest		(1,923,850)	(975,091)
XI	Profit/(Loss) for the period from continuing operations (IX-X)		164,696,768	18,137,523
XII	Profit/Loss from discontinuing operation		-	-
XIII	Profit/(Loss) for the period (XI+XII)		164,696,768	18,137,523
XIV	Earning per equity share:			
	(1) Basic		37.85	4.17
	(2) Diluted		37.85	4.17

Notes attached to and forming part of Accounts 1

As per our Audit Report of even dated.

**FOR FADNIS AND GUPTE**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTA)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR  
DIN:00209498

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR  
DIN:00144786

Indore  
Dated : 11<sup>th</sup> May 2016

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016  
PURSUANT TO THE LISTING AGREEMENT WITH STOCK EXCHANGE**

<b>PARTICULARS</b>	<b>2015-2016</b>	<b>2014-2015</b>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
NET PROFIT BEFORE TAX & EXTRA ORDINARY ITEMS	212,573,241	48,954,576
Add:- ADJUSTMENT		
Depreciation	67,720,695	67,459,028
Interest & finance charges	146,945,605	140,576,888
Dividend Income	(300)	(300)
Profit/Loss on sale of assets	(736,979)	(548,238)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>426,502,262</b>	<b>256,441,954</b>
<b>ADJUSTMENT FOR:</b>		
<b>Working capital changes</b>		
Trade & Other Receivables	67,908,009	89,942,271
Inventories	88,218,178	(88,250,693)
Trade and other Payables	(89,542,467)	(49,215,276)
Increase in Working Capital Limits	(112,867,370)	28,742,678
<b>CASH GENERATED FROM OPERATIONS</b>	<b>380,218,612</b>	<b>237,660,934</b>
Direct Taxes Paid	(42,377,415)	(33,594,088)
<b>CASH FLOW BEFORE EXTRA ORDINARY ITEMS:</b>	<b>337,841,197</b>	<b>204,066,846</b>
Extra Ordinary Item	-	-
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>337,841,197</b>	<b>204,066,846</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of fixed assets	6,761,343	1,957,691
Dividend Income	300	300
Purchase of fixed assets	(89,783,232)	(43,677,299)
Current Statement		
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(83,021,588)</b>	<b>(41,719,308)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest Paid	(146,945,605)	(140,576,888)
Proceeds from Long Term Borrowings	(127,819,667)	45,421,520
Dividend Paid	(4,351,800)	(4,351,800)
Dividend Tax Paid	(870,249)	(739,588)
Decrease in Foreign currency translation reserve	(1,998,912)	(17,907,295)
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(281,986,233)</b>	<b>(118,154,051)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(27,166,624)</b>	<b>44,193,487</b>
<b>OPENING BALANCE OF CASH &amp; BANK BALANCES</b>		
Cash & Cash Equivalents	30,768,276	1,432,193
Other Bank Balances	25,250,959	10,393,555
	<b>56,019,235</b>	<b>11,825,748</b>
<b>CLOSING BALANCE OF CASH &amp; BANK BALANCES</b>		
Cash & Cash Equivalents	619,307	30,768,276
Other Bank Balances	28,233,304	25,250,959
	<b>28,852,611</b>	<b>56,019,235</b>

**FOR FADNIS AND GUPTE  
CHARTERED ACCOUNTANTS  
FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTE)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR  
DIN:00209498

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR  
DIN:00144786

Indore,  
Dated : 11<sup>th</sup> May 2016

## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS**

### **1. Significant Accounting Policies of Rajratan Group**

The Rajratan Group consists of Rajratan Global Wire Limited, a company incorporated in India under the Indian Companies Act and the following two subsidiaries:-

S.No.	Name of the Subsidiary	Country of Incorporation	Percentage of Voting Power	
			31.03.2016	31.03.2015
01.	Rajratan Thai Wire Co. Ltd.	Thailand	100	100
02.	Swaraj Technocrafts Pvt. Ltd.	India	68	68

The consolidated Financial statements have been prepared as required u/s 129 (5) of the companies act 2013.

#### **1.1 Basis of Preparation of Financial Statements**

The financial statements of Rajratan Global Wire Ltd. and its subsidiary (Swaraj Technocrafts Pvt. Ltd.) are prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') including the Accounting standards specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2014.

The financial statements of Rajratan Thai Wire Co., Ltd. have been prepared and presented in accordance with Accounting Standards enunciated under the Accounting Profession Act, Thailand. The presentation of the financial statement has been made in compliance with the stipulation of the Notification of the Department of Business Development Dated 14 September 2001, issued under the Accounting Act, Thailand.

#### **1.2 Basis of Consolidation & Translation of Foreign Currency**

- (i) The accompanying financial statements have been prepared in Indian rupees being the national currency of India.
- (ii) The consolidated financial statements of the group have been prepared based on a line-by-line consolidation of the financial statements of Rajratan Global Wire Limited and its subsidiaries. All material inter-group balances and transactions are eliminated on consolidation.
- (iii) Assets and Liabilities of subsidiary are translated into Indian Rupees at the exchange rate of 1 Thai Baht = 1.8851 INR prevailing as at the Balance Sheet date. Revenues and expenses are translated into Indian Rupee at average rate of 1 Thai Baht = 1.8679 INR and the resulting net exchange differences are accumulated in Foreign Currency Translation Reserve, as the operations of the subsidiary are considered as Non-Integral Foreign operations.
- (iv) The net difference on account of translation of investment in foreign subsidiary in the Indian Currency, at the reporting date, amounting to ₹ 105,752,005/- is also considered as part of Foreign Currency Translation Reserve.
- (v) The Consolidation procedures adopted are as specified in Accounting Standard (AS) 21 "Consolidated Financial Statement" issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of Companies (Accounts) Rules 2014.

#### **1.3 Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **1.4 Fixed Assets and Depreciation**

Fixed assets are stated at acquisition cost less accumulated depreciation. The cost of fixed assets comprises its purchase price including import duties and other non-refundable taxes or levies and any directly, attributable cost of bringing the asset to the working condition for its intended use.

Capital Work-In-Progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire capital assets before the balance sheet date.

Depreciation is provided by of Rajratan Global Wire Ltd and Swaraj Technocraft P. Ltd. on the straight-line method ('SLM'). The technical estimates of useful life are in confirmatory with those prescribed in Schedule II of Companies Act 2013.

The Fixed Assets of Rajratan Thai Wire Co. Ltd. are stated at cost less accumulated depreciation and allowance for impairment loss. Depreciation of plant & equipment is calculated by reference to their cost on Straight Line Basis over the estimated useful life as follows:-

<u>Particulars</u>	<u>Years</u>
1) Building & Improvement (Factory)	30
2) Building & Improvement (Residential)	61
3) Plant, Machinery & Equipments	19
4) Furniture & Fixture	16
5) Vehicles	11
6) Office Equipments	06

### 1.5 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit & loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

### 1.6 Investments

Investments are classified into current and non-current investments.

Investments classified as Non Current investment are carried at cost. Provision for diminution, if any, is made to recognize a decline other than temporary, in the value of the investment.

Investment in Rajratan Thai Wire Co. Ltd., Thailand, being a non-monetary item which is carried in terms of historical cost denominated in Thai Baht, is reported using the exchange rate at the date of transaction. Exchange differences arising on loans, which in substance form part of net investments in Rajratan Thai Wire Co. Ltd., are accumulated in Foreign Currency Translation Reserve.

Non Current Investments in subsidiary companies intended to promote the trade or business, are classified as Trade Investments.

Current investments are stated at lower of cost and fair value.

### 1.7 Inventories

- (a) Inventories are valued at cost or net realizable value whichever is lower.
- (b) The cost of inventories comprise all costs of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition.
- (c) The cost formulas used are Weighted Average Cost in case of Raw Material and First-in- First Out ('FIFO') in case of Ancillary Raw Material , Consumable Spare.
- (d) The cost formula used for valuation of inventories are as under:-
  - (i) Raw Material
    - (a) Rajratan Global Wire Ltd.  
and  
Rajratan Thai Wire Co., Ltd. Weight Average Cost
    - (b) Swaraj Technocrats P. Ltd. First-in-First-Out
    - (ii) Ancillary Raw Material and Consumable Spares First-in-First-Out
    - (iii) The proportion of raw material valued on using different formula in the Consolidated Financial Statements are as under:-

	<b>2016</b>	<b>2015</b>
(a) Raw Material value using Weight Average Cost	₹ 132,425,967/-	₹ 153,104,915/-
(b) Raw Material value using First-in-First-Out basis	₹ 16,802,413/-	₹ 7,809,521/-
Total Raw Material Value	<u>₹ 149,228,380/-</u>	<u>₹ 160,914,436/-</u>

- (e) Excise Duty is included in the value of finished goods inventory.

### 1.8 Revenue recognition

- (a) Revenue from sale of products is recognized on transfer of all significant risk and rewards of ownership of products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of Value Added Tax.



- (b) Dividend income is recognized when the right to receive the dividend is established.
- (c) Interest income is recognized on the time proportion basis.
- (d) Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

### 1.9 Employee Benefits

#### (a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

#### b) Post- Employment Benefits

- i) Defined Contribution Plans: The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related service.
- ii) Defined Benefit Plans: The Company has taken Group Gratuity and Cash Accumulation Policy issued by the Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation as advised by LIC, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as advised by LIC.

Actuarial gains and losses are recognized immediately in the Profit & Loss Account.

### 1.10 Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate and the resultant exchange differences are recognized in the profit and loss account.

The premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is amortized as expense or income over the life of the contract.

### 1.11 Borrowing Costs

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) specified us 133 of the Act read with Rule 7 of Companies (Accounts) Rules 2014.

### 1.12 Research and Development

Expenditure on research phase is recognized as an expense when it is incurred. Expenditure on development phase is recognized as an intangible asset if it is likely to generate probable future economic benefits.

### 1.13 Lease

The Company classifies lease, where the lessor effectively retains substantially all the rights and benefits of ownership over the lease term, as operating leases. Operating lease rentals are recognized as an expense over the lease period.

The leasehold land, for 30 years lease is not considered as equivalent to ownership of Land in case of M/s. Swaraj Technocrafts Private Limited. Accordingly the premium paid on land acquisition is amortized over the lease period.

### 1.14 Earning Per Share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. There are no diluted potential equity shares.

### 1.15 Provisions for Contingencies

Provisions comprise liabilities of uncertain timing or amount. Provisions are recognized when the company recognizes it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are not recognized in the financial statements.

## NOTES FORMING PART OF FINANCIAL STATEMENTS

PARTICULARS		AS AT 31st MARCH-2016	AS AT 31st MARCH-2015		
2.	<b>SHARE CAPITAL</b>				
2.1	<b>Authorised:</b> 8,000,000 Equity Shares of ₹ 10/-each (Previous year 8,000,000 Equity Share of ₹ 10/- each)	<b>80,000,000</b>	<b>80,000,000</b>		
2.2	<b>Issued, Subscribed and Fully Paid up:</b> 4,351,800 fully paid up Equity Share of ₹ 10/- each (Previous Year 4,351,800 fully paid up Equity Shares or ₹ 10/- each)	43,518,000 <b>43,518,000</b>	43,518,000 <b>43,518,000</b>		
2.3	<b>Par Value Per Share</b>	₹ 10	₹ 10		
2.4	<b>Reconciliation of Number of Shares</b> Shares outstanding as at 1st April 2015 / 1st April 2014 Shares outstanding at the end of the year	4,351,800 4,351,800	4,351,800 4,351,800		
2.5	The group has only one class of shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
2.6	<b>List of shareholders holding more than 5% of the total number of shares issued by the Group :</b>				
	<b>Name of the share holder</b>	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
	Rajratan Investment Limited	782,881	17.99	782,881	17.99
	Avalokiteshvar Valinv Limited	-	-	625,200	14.37
	Renaissance Advanced Consultancy Ltd (Transferred from Avalokiteshvar Valinv Limited as per scheme of Arrangement approved by Hon'ble High Court of Delhi)	625,200	14.37	-	-
	Rajratan Resources Pvt. Limited	381,420	8.76	381,420	8.76
	Mrs. Sangeeta Chordia	558,100	12.82	558,100	12.82
	Mr. Sunil Chordia	479,390	11.02	479,390	11.02
	Mr. Yashovardhan Chordia	268,000	6.16	268,000	6.16
3.	<b>RESERVES AND SURPLUS</b>				
3.1	<b>(A) Capital Reserves</b>				
	<b>State Investment Subsidy</b>		1,500,000		1,500,000
	Balance as per last account (A)				
3.2	<b>(B) Securities Premium Reserve</b>		83,985,200		83,985,200
	Balance as per last account (B)				
3.3	<b>(C) Other Reserves</b>				
	<b>General Reserve</b>				
	Opening Balance		369,750,000		367,750,000
	Add: Transferred From Statement of Profit & Loss account		70,000,000		2,000,000
	Closing Balance (C)		439,750,000		369,750,000
3.4	<b>(D) Surplus</b>				
	<b>Statement of Profit &amp; Loss</b>				
	Opening Balance		(39,390,719)		(41,288,902)
	Less: Carrying Value of assets whose useful life exhausted		-		13,049,625
	Add: Reversal of deferred tax liability of above		-		4,032,334
	Add: Profit for the year		164,696,768		18,137,523
			125,306,049		(32,168,670)

PARTICULARS	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>Less: Appropriations</b>		
Transfer to General Reserve	70,000,000	2,000,000
Proposed Dividend	5,222,160	4,351,800
Corporate Dividend Tax	1,063,127	870,249
Closing Balance (D)	<b>49,020,762</b>	<b>(39,390,719)</b>
<b>3.5 (E) Foreign Currency Translation Reserve</b>	<b>52,562,931</b>	<b>52,721,787</b>
<b>Total (A+B+C+D+E)</b>	<b>626,818,893</b>	<b>468,566,268</b>

**4 Long-Term Borrowings**

**4.1 Term Loans Secured**

From Banks	138,514,827	246,549,682
From Others	1,241,673	21,026,485
	<b>139,756,500</b>	<b>267,576,167</b>

**4.2 SECURITY:**

**I. Rajratan Global Wire Ltd.**

Term loans outstanding ₹ 138,000,000/- (Previous year ₹ 175,000,000/-) are secured by way of an equitable mortgage of immovable properties with State Bank of India, Indore and first charge by way of hypothecation of all the company's movable machinery, present and future, subject to prior charges created in favour of Company's Bankers on the stock of raw materials, goods in process, finished and manufactured goods and Book Debts towards security for working capital facilities. Term loans are also secured by personal guarantee of the Managing Director.

**II. Rajratan Thai Wire Co., Ltd.**

The Company's land and building has been mortgaged and Plant and Machinery has been hypothecated to ICICI Bank Limited, Singapore to secure the long term loan.

The Company's residential building has been mortgaged to Bank of Ayudhya Plc.Thailand (BAY), to secured the long term loan.

**4.3 Terms of Repayment of Long Term Borrowings**

**I. Repayment schedule of Rajratan Global Wire Ltd.**

Particulars	Total Tenor of Loan	Frequency of Installment	No. of Installment due	Amount	Rate of Interest
State Bank of India	4 years	Quarterly	4	21,325,874	12.95%
State Bank of India	5 Years	Quarterly	16	155,871,205	12.95%
State Bank of India	3 Years	Quarterly	12	30,010,726	12.95%
Daimler Financial Services Pvt. Ltd.	3 Years	Monthly	8	981,590	9.49%

**II. Repayment of Rajratan Thai Wire Co. Ltd. Thailand**

Particulars	Total Tenor of Loan	Frequency of Installment	No. of Installment Due	Amount Million BAHT	Rate of Interest
Bank of Ayudhya PLC	9 Years	Quarterly	4	25.55	MLR 6.850%-Margin
Bank of Ayudhya (BAY)	9 Years	Quarterly	4	10.95	MLR 6.850%-Margin
Bank of Ayudhya (BAY)	10 Years	Monthly	16	0.52	MLR 6.850%-0.5%
Bank of Ayudhya (BAY)	10 Years	Monthly	21	0.35	MLR 6.850%-0.5%

**5 Deferred Tax Liabilities (Net)**

**5.1 a. Deferred Tax Liabilities**

On account of tax effects on timing difference arising due to difference in Depreciation	81,887,124	82,560,730
--	------------	------------

<b>5.2</b>	Deferred Tax Assets		
	On Account of disallowance u/s 43B of the Income Tax Act (net of reversals of DTA created in earlier year)	49,515	241,168
	<b>Net Deferred Tax Liabilities</b>	<b>81,837,609</b>	<b>82,319,562</b>
<b>6</b>	<b>Short-Term Borrowings</b>		
	<b>Secured:</b>		
<b>6.1</b>	<b>Loans repayable on demand</b>		
	From Bank	614,805,231	732,002,616
	From Other Financial Institution	54,321,696	51,937,545
	<b>Unsecured:</b>		
<b>6.2</b>	<b>Loans and advances from related parties</b>		
	Unsecured Loans (Refer Note No. 31)	24,498,541	22,552,677
<b>6.3</b>	<b>Other loans and advances</b>		
	Inter Corporate Deposit	5,000,000	5,000,000
		<b>698,625,468</b>	<b>811,492,838</b>
<b>6.4</b>	<b>Security:</b>		
<b>I.</b>	<b>Rajratan Global Wire Ltd.</b>		
	A. Loans repayable on demand from State Bank of India, Indore and IDBI Bank Ltd., Indore are Working Capital Loans and are secured by hypothecation of company's stock and book debts, present & future and by a second charge on all the immovable properties of the company and plant and machinery, machinery spares, tools and accessories and other movables both present and future. Such advances are also secured by personal guarantees of the Managing Director.		
	B. Loans and advances from related parties and other loans & advances are unsecured.		
<b>II.</b>	<b>Swaraj Technocraft Pvt. Ltd.</b>		
	Working Capital Loans from Banks are secured by first charge by hypothecation of company's stock and book debts, present and future and by a second charge on all the immovable properties of the company and plant and machinery, machinery spares, tools and accessories and other movables both present and future. Such loans are also secured by personal guarantees of the Managing Director.		
<b>III.</b>	<b>Rajratan Thai Wire Co. Ltd., Thailand</b>		
	The working capital borrowing were extended by Bank of Ayudhya PLC Thailand under working capital loan agreement dated 9th May, 2008, which is secured by SBLC of USD 3.00 million and 0.80 million issued by ICICI Bank, Singapore under the Loan Agreement dated 5th May, 2007 & 10th October, 2012 and United Oversea Bank (Thailand) Ltd., under working capital loan agreement dated 17th, January 2011, which is secured by SBLC of USD 2 million issued by IDBI Bank Limited, India.		
<b>7</b>	<b>TRADE PAYABLES</b>		
<b>7.1</b>	Payable to entities covered under Micro, Small and Medium Enterprises Act	-	-
<b>7.2</b>	Trade Payables	263,558,969	330,775,928
		<b>263,558,969</b>	<b>330,775,928</b>
<b>8</b>	<b>OTHER CURRENT LIABILITIES</b>		
<b>8.1</b>	Current maturities of Long Term debt	146,989,731	145,588,656
<b>8.2</b>	Interest accrued but not due on borrowings	1,270,347	2,587,074
<b>8.3</b>	Interest accrued and due on borrowings	2,207,805	118,918
<b>8.4</b>	Unpaid Dividends	623,009	621,624
<b>8.5</b>	Other Payable	13,263,828	41,580,320
		<b>164,354,719</b>	<b>190,496,592</b>
	Other payable pertain to		
	(i) Statutory Liabilities	7,417,500	13,909,066
	(ii) Creditors for Capital Goods	3,420,650	681,011
	(iii) Advance from Customers	2,425,678	26,990,243
		<b>13,263,828</b>	<b>41,580,320</b>
<b>9</b>	<b>SHORT-TERM PROVISIONS</b>		
<b>9.1</b>	Provision for Employee Benefits	7,341,025	3,524,660
<b>9.2</b>	Income Tax (Net of advance Tax ₹ 43,682,211/- Previous Year ₹ 30,537,072/-)	8,117,790	212,928
<b>9.3</b>	Proposed Dividend (Including Dividend Distribution Tax of ₹ 1,063,127/-, Previous Year ₹ 870,249/-)	6,285,287	5,222,049
		<b>21,744,102</b>	<b>8,959,637</b>

**SCHEDULE ATTACHED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016**

**SCHEDULE-10 : FIXED ASSETS**

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As On 01.04.15	Additions for the year	Deduction during the year	Adjustment for Foreign Currency	As On 31.03.16	Upto 01.04.15	For the Year	Written Back	Adjustment for Currency	Upto 31.03.16	As On 31.03.16	As On 31.03.15
<b>I. TANGIBLE ASSETS</b>												
A. LAND												
Free Hold Land	61,919,689	-	-	-	61,919,689	-	-	-	-	-	61,919,689	61,919,689
Lease Hold Land	19,969,894	1,057,589	-	(1,205,843)	19,821,640	556,100	31,565	-	-	587,665	19,233,975	19,413,794
B. Site Development	14,972,596	202,218	-	-	15,174,814	14,076,114	546,847	-	-	14,622,961	551,853	896,482
C. Building	234,525,543	1,895,100	-	(2,538,055)	233,882,588	64,412,585	7,508,725	-	(467,066)	71,454,244	162,428,344	170,112,959
D. Plant and Machinery	1,227,998,237	45,492,572	12,005,011	(8,383,226)	1,253,102,572	473,929,671	54,418,405	5,980,646	(2,257,770)	520,109,660	732,992,912	754,068,566
E. Furniture and Fixtures	12,469,949	940,253	-	(98,331)	13,311,871	8,363,774	1,131,518	-	(21,207)	9,474,085	3,837,787	4,106,176
F. Vehicles	20,937,673	672,219	1,085,201	(116,309)	20,408,382	9,355,734	2,374,605	1,085,201	(52,993)	10,592,145	9,816,237	11,581,938
G. Office Equipment	7,470,496	382,593	-	-	7,853,089	3,625,374	585,610	-	(79,335)	4,131,649	3,721,440	3,845,122
H. Other Assets	11,571,070	1,445,910	-	(86,126)	12,930,854	10,341,812	827,077	-	-	11,168,889	1,761,965	1,229,258
<b>TOTAL</b>	<b>1,611,835,148</b>	<b>52,088,454</b>	<b>13,090,212</b>	<b>(12,427,890)</b>	<b>1,638,405,500</b>	<b>584,661,164</b>	<b>67,424,352</b>	<b>7,065,847</b>	<b>(2,878,372)</b>	<b>642,141,298</b>	<b>996,264,202</b>	<b>1,027,173,984</b>
<b>PREVIOUS YEAR</b>	1,563,710,416	37,321,553	15,431,001	26,234,180	1,611,835,149	525,336,122	67,170,246	14,021,548	6,176,344	584,661,164	1,027,173,985	1,051,423,920
<b>II INTANGIBLE ASSETS</b>												
ERP Software & Technical Know-how	2,219,388	-	-	-	2,219,388	1,057,128	296,343	-	-	1,353,471	865,917	1,162,260
<b>TOTAL</b>	<b>2,219,388</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,219,388</b>	<b>1,057,128</b>	<b>296,343</b>	<b>-</b>	<b>-</b>	<b>1,353,471</b>	<b>865,917</b>	<b>1,162,260</b>
<b>PREVIOUS YEAR</b>	2,176,188	43,200	-	-	2,219,388	768,345	288,782	-	-	1,057,128	1,162,260	1,407,843
CAPITAL WORK IN PROGRESS	7,846,876	73,317,026	35,622,248	11,389,579	56,931,233	-	-	-	-	-	56,931,233	7,846,876
<b>PREVIOUS YEAR</b>	1,495,289	34,105,355	27,792,809	39,041	7,846,876	-	-	-	-	-	7,846,876	8,868,584



PARTICULARS	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>11 NON-CURRENT INVESTMENTS</b>		
<b>Non Trade investment - Unquoted</b>		
250 Equity Shares of ₹ 10 Each of the M/s. Shamrao Vithaldas Co-operative Society Limited, Mumbai (Fully Paid up)	2,500	2,500
	<b>2,500</b>	<b>2,500</b>
<b>12 LONG-TERM LOANS AND ADVANCES</b>		
<b>12.1 Capital advance</b>		
Unsecured, Considered good	9,046,970	14,392,091
Includes advance to M/s Cee Cee Engineering Industries Private Limited (Company under the control of Key Management Personnel) (Refer Note No. 31)		
<b>12.2 Security Deposits</b>		
Unsecured, Considered good	13,596,414	31,086,691
<b>12.3 Other Loans and Advances</b>		
Unsecured, Considered good	-	656,442
<b>Total</b>	<b>22,643,384</b>	<b>46,135,224</b>
<b>13 Inventories</b>		
<b>13.1 (a) Raw Materials:</b>		
Raw Material	149,228,380	160,914,436
Ancillary Raw Material	16,406,953	20,843,151
(b) Work-in-progress;	31,940,025	63,164,283
(c) Finished Goods;	56,551,454	100,939,302
(d) Stores and Spares;	42,529,168	38,972,842
(e) Scrap	111,976	47,555
(F) Others	-	104,566
<b>Total</b>	<b>296,767,957</b>	<b>384,986,135</b>
<b>13.2</b> Inventories are valued at cost or net realisable value whichever is lower. The cost formulas used are Weighted Average Cost in case of Raw Material of Rajratan Global Wire Ltd. and Rajratan Thai Wire Co. Ltd. and in case of Swaraj Technocrafts Pvt. Ltd. the cost formula used is First in First Out (FIFO). In case of Ancillary Raw Material and Consumable Spares the cost formula used is First in First Out (FIFO). The cost of inventories comprises all cost of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), conversion cost and other costs incurred in bringing the inventories to their present location and condition. Excise Duty is included in the value of finished goods inventory.		
<b>14 TRADE RECEIVABLES</b>		
<b>14.1</b> Unsecured, Considered good		
(a) Trade receivable outstanding for period exceeding six months from the date they are due for payment	14,135,397	16,435,589
(b) Others	564,845,890	591,159,364
<b>Total</b>	<b>578,981,287</b>	<b>607,594,953</b>
<b>15 Cash and Bank Balances</b>		
<b>15.1 Cash and Cash Equivalents</b>		
(a) Balances with Banks - Current Accounts	237,559	30,209,876
(b) Cash in Hand including Foreign Currency	381,747	558,400
	<b>619,307</b>	<b>30,768,276</b>
<b>15.2 Other Bank Balances</b>		
(a) Current Account held as Margin Money	6,500,000	6,500,000
(b) Fixed Deposit Account held as margin money	21,110,295	18,129,335
(c) Unpaid Dividend Accounts	623,009	621,624
	<b>28,233,304</b>	<b>25,250,959</b>
<b>Total</b>	<b>28,852,610</b>	<b>56,019,235</b>

PARTICULARS		AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>16</b>	<b>Short-Term Loans and Advances (Unsecured &amp; Considered good)</b>		
<b>16.1</b>	Other Loans & Advances		
	(i) Advances recoverable in cash or in kind or for value to be received	32,064,948	39,246,235
	(ii) Balance with Government Authorities	29,157,378	38,262,835
	<b>Total</b>	<b>61,222,325</b>	<b>77,509,070</b>
<b>17</b>	<b>OTHER CURRENT ASSETS</b>		
	Interest Accrued on Fixed deposit	845,417	361,175
	<b>Total</b>	<b>845,417</b>	<b>361,175</b>
<b>18</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Manufactured goods	3,042,907,958	2,890,247,660
	Sale of Traded goods	0	71,752,143
	Other Operating Income	5,264,504	3,231,510
	<b>Total</b>	<b>3,048,172,462</b>	<b>2,965,231,313</b>
	Less:- Excise Duty	220,258,998	229,426,222
		<b>2,827,913,464</b>	<b>2,735,805,091</b>
<b>19</b>	<b>OTHER INCOME</b>		
	Interest Income	7,079,766	7,349,305
	Dividend from Long Term Investment	300	300
	Profit on Sale of Fixed Assets	736,979	548,238
	Rent Received on Plant & Machinery	60,000	60,000
	Credit Balance w/off	105,411	1,588,242
	Miscellaneous Receipts	1,740	-
	<b>Total</b>	<b>7,984,196</b>	<b>9,546,085</b>
<b>20</b>	<b>Cost of Materials Consumed</b>		
	<b>Materials Consumed Comprises pf:</b>		
	Wire Rod	1,521,811,695	1,682,212,132
	Ancillary Raw material	37,852,839	31,952,048
	Others	3,685,556	57,630,170
	<b>Total</b>	<b>1,563,350,090</b>	<b>1,771,794,350</b>
<b>21</b>	<b>Cost of Traded Goods</b>		
	Wire Rod	-	75,196,810
	Others	-	119,463
	<b>Total</b>	<b>-</b>	<b>75,316,273</b>
<b>22</b>	<b>CHANGE IN INVENTORIES OF FINISHED GOODS AND &amp; WORK-IN-PROGRESS</b>		
	<b>Opening Stock</b>		
	Work-in-Progress	63,164,283	34,519,813
	Finished goods	100,939,302	50,303,884
	Scrap	47,555	322,255
		<b>164,151,140</b>	<b>85,145,952</b>
	<b>Closing Stock</b>		
	Work-in-Progress	31,940,026	63,164,283
	Finished goods	56,551,454	100,939,302
	Scrap	111,976	47,555
		<b>88,603,456</b>	<b>164,151,140</b>
	<b>Change in inventories of Finished Goods &amp; Work-in-Progress</b>	<b>75,547,684</b>	<b>(79,005,188)</b>
<b>23.</b>	<b>Employee Benefits Expenses</b>		
	Salary Wages Bonus & Allowances	160,179,803	157,754,509
	Contribution to Provident Fund	6,924,495	6,844,747
	Contribution to ESIC	1,968,602	2,137,392
	Staff Welfare Expenses	4,208,358	4,549,972
	Contribution to Gratuity Fund	2,003,103	1,453,059
	Medical Expenses Reimbursement	1,107,353	974,071
		<b>176,391,713</b>	<b>173,713,750</b>

PARTICULARS	AS AT 31st MARCH-2016	AS AT 31st MARCH-2015
<b>24. FINANCE COST</b>		
Interest Expenses	88,459,282	102,337,123
Exchange Fluctuation Loss	18,685,165	-
Other Borrowing Costs	39,801,157	38,239,765
<b>Total</b>	<b>146,945,605</b>	<b>140,576,888</b>
<b>25. OTHER EXPENDITURE</b>		
Power & Fuel	275,814,161	267,946,051
Less: Recovery of energy generated by Windmill	(11,965,173)	(10,669,416)
	<b>263,848,988</b>	<b>257,276,635</b>
Consumable Stores	58,074,537	41,788,088
Packing Material	28,842,898	26,837,363
Freight Inward	22,316,298	20,682,037
Freight Outwards	80,173,570	75,280,359
Rent	516,000	316,000
Repair & Maintenance	40,123,639	46,039,353
Repair to Building	2,413,208	-
Transit Insurance	1,577,758	1,218,258
Insurance Charges	1,083,711	1,122,818
Rate & Taxes excluding taxes on income	3,894,731	3,022,880
Export Expenses	39,748,959	25,305,344
Miscellaneous expenses below 1% of revenue from operation	50,754,335	47,652,364
<b>TOTAL</b>	<b>593,368,633</b>	<b>546,541,499</b>

**26. Contingent Liabilities and Commitments**

**26.1 Contingent Liabilities**

(a) Claims against the company not acknowledged as debt;	Nil	Nil
(b) Guarantees;		
(i) Bank Guarantee with State Bank of India, Specialized Mid Corporate Branch, Pithampur	Nil	₹ 1,000,000
(ii) The company has given the Corporate Guarantee for the credit facilities availed by M/s, Rajratan Thai Wire Co., Ltd. Thailand the Wholly Owned subsidiary of the company.	US\$ 10.70 Million	US\$ 17.50 Million
(c) 9,190,100 (Previous year 9,190,100) equity shares of M/s. Rajratan Thai Wire Co.Ltd. (RTWL), Thailand have been pledged with State Bank of India and ICICI Bank Ltd, against loans sanctioned by them to RTWL.		
(d) Other money for which the Rajratan Global Wire Co. Ltd. and Swaraj Technocraft Pvt Ltd is contingently liable Income Tax & Excise appeals for which no provision is considered required as the company is hopeful of successful outcome in the appeals		

Particulars	Nature of	Financial year	Amount in ₹	Forum where dispute is pending
Income Tax	Penalty	2003-04	200,000	CIT (A) -II Indore
Central Sales Tax	Matter related to Declaration Form	2008-09	955,403	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2009-10	221,155	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2011-12	506,565	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2012-13	248,911	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2013-14	792,212	Appellate Board, Bhopal
Central Sales Tax	Matter related to Declaration Form	2015-16	180,555	Before Commercial Tax Officer, Villupuram
Service Tax	Consulting Engineering Services	2005-06	584,233	Customs, Central Excise & Service Tax Appellate, Tribunal, New Delhi
Service Tax	Service Tax on Banking Services	2004 to 15	2,420,603	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	Cenvat Credit Availed on Capital Goods	2005 to 09	1,152,642	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	Cenvat Credit Availed on GI Wire	2015-16	14,663	The Company is in process to file appeal before Commissioner (A), Bhopal
Excise	Cenvat Credit Availed on Trading Activity	2015-16	4,284,025	The Company is in process to file appeal before Commissioner (A), Bhopal

**Swaraj Technocrafts Pvt Ltd.**

Central Sales Tax	Matter related to Declaration Form	2015-16	288,252	Dy. Comm. of Commercial Tax (A)
Entry Tax	Matter related to Declaration Form	2015-16	180,555	Dy. Comm. of Commercial Tax (A)

There are no pending litigation other than those mentioned above. The total impact on the financial statements of pending litigation is ₹ 12,029,774/- (Previous year ₹ 4,037,738/-), if decided against the Company. The Management is confident that all pending Litigation will be decided in favour of the Company and there is no expected outflow of resources on this account.

(e)	Letter of Guarantees issued by local Banks to Rajratan Thai Wire Co. Ltd.	TBT 3.86 Million	TBT 2.63 Million
(f)	Bank Guarantee with State Bank of India, Khandelwal Chambers, Pithampur issued for Swaraj Technocraft Pvt. Ltd.	₹ 1,276,806	₹ 1,276,806
<b>26.2</b>	<b>Commitments:</b> Estimated amount of contracts remaining to be executed on capital account and not provided for;	20,817,515	4,193,720
<b>27.</b>	Work in Progress comprises of wire rods under conversion into Tyre Bead Wires.	28,954,180	34,725,472
<b>27.1</b>	Work in Progress Wire Drawing Machines in the Process of Manufacturing	2,985,846	28,438,811
<b>28.</b>	<b>Detail of Prior Period Expenses</b>		
(i)	On Account of Raw Material Consumption	-	1,194,927
<b>28.1</b>	<b>Details of Prior Period Incomes</b>		
(i)	On account of Interest Received	-	217,196
<b>29.</b>	In the opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances have a value realizable in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.		
<b>30.</b>	In accordance with the Accounting Standard (AS)17 "Segment Reporting" issued by The Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of Companies (Accounts) Rule, 2014 the company has identified the following reportable segments and the applicable disclosure is as under:-		

**Information About Business Segments**
**(Amt. in ₹)**

REVENUE	BEAD WIRE		WIRE DRAWING MACHINE & TOOLS		CONSOLIDATED	
	2016	2015	2016	2015	2016	2015
External Sales	2,787,246,250	2,675,559,015	35,402,710	63,079,7747	2,822,648,960	2,738,638,789
Inter Segment Sales	1,092,525	561,192	35,615,040	6,151,195	36,707,565	6,712,387
<b>Total Revenue</b>	<b>2,788,338,775</b>	<b>2,676,120,207</b>	<b>71,017,750</b>	<b>69,230,969</b>	<b>2,859,356,525</b>	<b>2,745,351,176</b>
<b>RESULT</b>						
Segment Result	357,986,348	183,882,394	(3,623,718)	(725,144)	354,362,630	183,157,250
Unallocated Corporate expenses						
<b>Operating Profit</b>					354,362,630	183,157,250
Interest Expenses					146,945,605	140,576,888
Interest Income					7,080,066	7,349,305
Income Taxes					49,800,323	31,792,144
Profit From Ordinary Activities					164,696,768	18,137,523
Extraordinary Loss						
<b>Net Profit</b>					164,696,768	18,137,523
Other Information						
Segment Assets	1,969,775,973	2,083,453,872	51,205,243	79,199,817	2,020,981,216	2,162,653,689
Unallocated Corporate Assets						
<b>Total Assets</b>					2,020,981,216	2,162,653,689
Segment Liabilities	962,765,846	1,629,663,659	38,527,682	61,826,404	1,001,293,528	1,691,490,063
Unallocated Corporate Liabilities						
<b>Total Liabilities</b>					1,001,293,528	1,691,490,063
Capital Expenditure	123,542,967	71,341,473	18,36,652	385,560	125,379,619	71,727,033
Depreciation	66,169,045	65,907,666	1,551,650	1,551,362	67,720,695	67,459,028
Non-Cash Expenses Other than Depreciation						

**Information About Geographical Segments**

(Amt. in ₹)

	Within India		Out Side India		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Sales Revenue	2,060,792,872	2,074,473,765	798,563,653	670,877,411	2,859,356,525	2,745,351,176
Segment Assets	1,159,602,433	1,245,284,253	861,378,783	917,369,436	2,020,981,216	2,162,653,689
Cost of Acquire Tangible & Intangible Fixed Assets	80,401,546	38,463,711	44,978,073	33,263,322	125,379,619	71,727,033

31. In accordance with the Accounting Standard (AS)18 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of Companies (Accounts) Rule, 2014 the names of the related parties and the relevant disclosure is as under:-

**(a) Name of the related party and description of relationship:**

**i. Key Management Personnel:**

- 1) Mr. Sunil Chordia - Managing Director
- 2) Mr. Deepesh Trivedi - Executive Director (Up to 31/10/2015)
- 3) Mrs. Sangeeta Chordia - Whole Time Director
- 4) Mr. Yashovardhan Chordia - Whole Time Director (Thailand Unit)
- 5) Mr. B. K. Reddy - Whole Time Director (Thailand Unit)

**ii. Relatives of Key Managerial Personnel**

- 1) Mrs. Shantadevi Chordia Mother of Mr. Sunil Chordia
- 2) Mrs. Mohini Chordia W/o of Mr. Yashovardhan Chordia
- 3) Mr. P.K. Reddy S/o Mr. B.K. Reddy

**iii. Companies/entities under the control of Key Management personnel**

- 1) M/s. Rajratan Resources Pvt. Ltd.,
- 2) M/s. Rajratan Investment Ltd,
- 3) M/s. Cee Cee Engineering Industries Pvt. Ltd.

The following transaction were carried out with the related parties in the ordinary course of business

Sr. No.	Transaction	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1.	Job work Charges Paid	- (-)	- (-)	3,814,781 (4,203,781)
2.	Job work Charges Received	- (-)	- (-)	- (16,025)
3.	Machinery Rent Received	- (-)	- (-)	68,400 (67,800)
4.	Purchase of Assets (net of returns)	- (-)	- (-)	- (7,593,580)
5.	Refund of Capital Advance (Land)	- (-)	- (-)	7,877,711 (15,260,000)
6.	Capital Advance (Closing Balance)	- (-)	- (-)	7,436,411 (14,392,091)
7.	Unsecured Loan (Net of Repayment)	7,874,678 (13,970,000)	- (-)	8,065,782 (-2,966,500)
8.	Unsecured Loan Closing Balance	24,498,541 (14,486,895)	- (-)	- (8,065,782)
9.	Interest Paid	2,374,409 (737,267)	- (-)	221,464 (1,650,134)
10.	Interest Received	- (-)	- (-)	1,024,479 (2,497,055)
11.	Remuneration	16,898,470 (12,783,689)	718,815 (-)	- (-)
12.	Rent	108,000 (108,000)	108,000 (108,000)	- (-)
13.	Closing Balance of Payables	- (-)	- (-)	- (135,017)

The figures mentioned in the brackets are for previous year figures.



The intra-group transactions within the group have been eliminated in the consolidated financial statements.

- 32.** In accordance with the Accounting Standard (AS) 19 “Leases” issued by The Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of Companies (Accounts) Rule, 2014 details of operating lease are as under:

**Rajratan Global Wires Limited**

S.No.	Particulars	31st March, 2016	31st March, 2015
1.	Total of future minimum lease payments under non-cancellable operating leases for each of the following periods: i. Not later than one year; ii. Later than one year and not later than five years; iii. Later than five years;	20,234/- 80,937/- 1,396,170/-	20,234/- 80,937/- 1,416,404/-
2.	Total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date;	NIL	NIL
3.	Lease payments recognized in the statement of profit and loss for the period, i. Minimum lease payments; ii. Contingent rents;	262,400/- NIL	349,264/- NIL
4.	Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the period;	NIL	NIL
5.	The company has a leasehold land, for 99 year lease with an option to renew for a further period of 30 years.		

**Swaraj Technocrafts Private Limited**

S.No.	Particulars	31st March, 2016	31st March, 2015
1.	Total of future minimum lease payments under noncancellable operating leases for each of the following periods: i. Not later than one year; ii. Later than one year and not later than five years; iii. Later than five years;	2,521/- 7,746/- NIL	2,521/- 7,746/- NIL
2.	Total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date;	NIL	NIL
3.	Lease payments recognized in the statement of profit and loss for the period, i. Minimum lease payments; ii. Contingent rents;	17,012/- NIL	17,012/- NIL
4.	Sub-lease payments received (or receivable) recognized in the statement of profit and loss for the period;	NIL	NIL
5.	The company has a leasehold land, for 30 year lease with an option to renew for a further period of 30 years.		

**33. Details of Subsidiary**

The details of information of subsidiaries required to be disclosed pursuant to clause (iv) of General Circular No.2/2011 dated 8th February'2011 issued by Government of India Ministry of Corporate Affairs, are as under:-

Name of the Subsidiary	Rajratan Thai Wire Co. Ltd.	Swaraj Technocrafts Pvt. Ltd.
Paid Up Share Capital	489,510,149	1,750,000
Reserves and Surplus	(348,548,586)	10,340,846
Total Assets	868,632,816	52,062,897
Total Liabilities	868,632,816	52,062,897
Investments	-	-
Turnover	956,831,837	70,742,421
Profit Before Taxation	71,582,389	(6,105,323)
Provision for Tax (including Excess Provision of earlier year ₹ 43776/-)	-	(93,291)
Profit After Taxation	71,582,389	(6,012,031)
Proposed Dividend	-	-

The above figures of Rajratan Thai Wire Co. Ltd. have been Translated from Thai Baht into Indian National Rupee using the following basis:-

- The assets and liabilities, both monetary and non-monetary at the closing rate which was 1 Thai Baht = ₹ 1.8851
- Income and expenses at the average rate which was 1 Thai Baht= ₹ 1.8679 Supplementary Information.

**34. Earnings Per Share**

The Company's share capital consists of equity share. The basic and diluted earning per share is calculated as under:

Sr. No.	Nature of Transaction	Current	Previous
1.	Number of Shares at the Commencement	4,351,800	4,351,800
2.	Shares issued during the year	Nil	Nil
3.	No. of Shares at the end of the year	4,351,800	4,351,800
4.	Profit / (Loss) After Taxes	164,696,768	18,137,523
5.	Extra Ordinary Items (Within the meaning of AS-5, Net Profit or Loss for the period, Prior Period items and Changes in the Accounting Policies)	Nil	Nil
6.	Basic Earning Per Share	37.85	4.17
7.	Diluted Earning Per Share	37.85	4.17
8.	Nominal Value Per Share	10.00	10.00

**35. Particulars of Loans, Guarantees or Investments in accordance with Section 186 of the Companies Act, 2013**

Sr.No.	Particulars	Name of Entity	Relation	Purpose	Amount
1.	Loan Given*	Inter Corporate Deposits	--	Business Purpose	₹ 6.20 Crores
2.	Guarantee Given#	Rajratan Thai Wire Co. Limited	Wholly Owned Subsidiary	Corporate Guarantee for the credit facilities availed by the M/s Rajratan Thai Wire Co. Ltd, Thailand Wholly owned subsidiary of the Company	USD 10.70 Million
3.	Investments Made	1. Swaraj Technocrafts Pvt Ltd. 2. Rajratan Thai Wire Co. Ltd. 3. M/s Shamrao Vithaldas Co. Operative Society Limited	1. Subsidiary 2. Wholly Owned Subsidiary 3. None	Investment	₹ 38.92 Crores

\*Out of the unsecured inter corporate loan of Rs.6.20 Crores given during the year to various parties the outstanding balance as on 31.03.2016 is 0.50 Crore.  
# The opening amount of corporate guarantee given in favour of wholly owned subsidiary as on 01.04.2015 was USD 17.50 Million, however the same was reduced to USD 10.70 Million during the year.

**36.** Previous Year's figures have been regrouped and recast wherever considered necessary to make them comparative with the current year's figure.

**FOR FADNIS AND GUPTE**  
**CHARTERED ACCOUNTANTS**  
**FRN : 006600C**

**FOR AND ON BEHALF OF BOARD**

**(CA. VIKRAM GUPTE)**  
PARTNER  
M.No. 074814

**(SHUBHAM JAIN)**  
COMPANY SECRETARY

**(CHANDRASHEKHAR BOBRA)**  
DIRECTOR

**(SUNIL CHORDIA)**  
MANAGING DIRECTOR

Place : Indore,  
Dated : 11<sup>th</sup> May 2016



**PROXY FORM  
FORM MGT- 11**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name : RAJRATAN GLOBAL WIRE LIMITED  
CIN : L27106MP1988PLC004778  
Regd office : "RAJRATAN HOUSE" 11/2, MEERA PATH  
Dhenu Market, Indore-452003 (M.P.)

Name of the member (s) :  
Registered address :  
E-mail Id :  
Folio No/ Client Id :  
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

2. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ..... or failing him

3. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on the Tuesday, 26th July, 2016 at 2.00 p.m. at the Registered Office at "RAJRATAN HOUSE" 11/2, MEERA PATH, Dhenu Market, Indore-452003 (M.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

	Resolution	For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2016, together with the Reports of the Board and Auditors thereon.		
2.	To declare dividend of ` 1.20 per equity share (@ 12%) for the Financial Year 2015-16.		
3.	To appoint a Director in place of CA P.D. Nagar (DIN - 00151621), who retires by rotation, and being eligible, offers himself for reappointment.		
4.	To appoint a Director in place of CA Abhishek Dalmia (DIN - 00011958), who retires by rotation, and being eligible, offers himself for reappointment.		
5.	Ratification of appointment of Statutory Auditors.		
6.	Ratification of remuneration of Cost Auditors of the Company.		

Signed this..... day of..... 2016

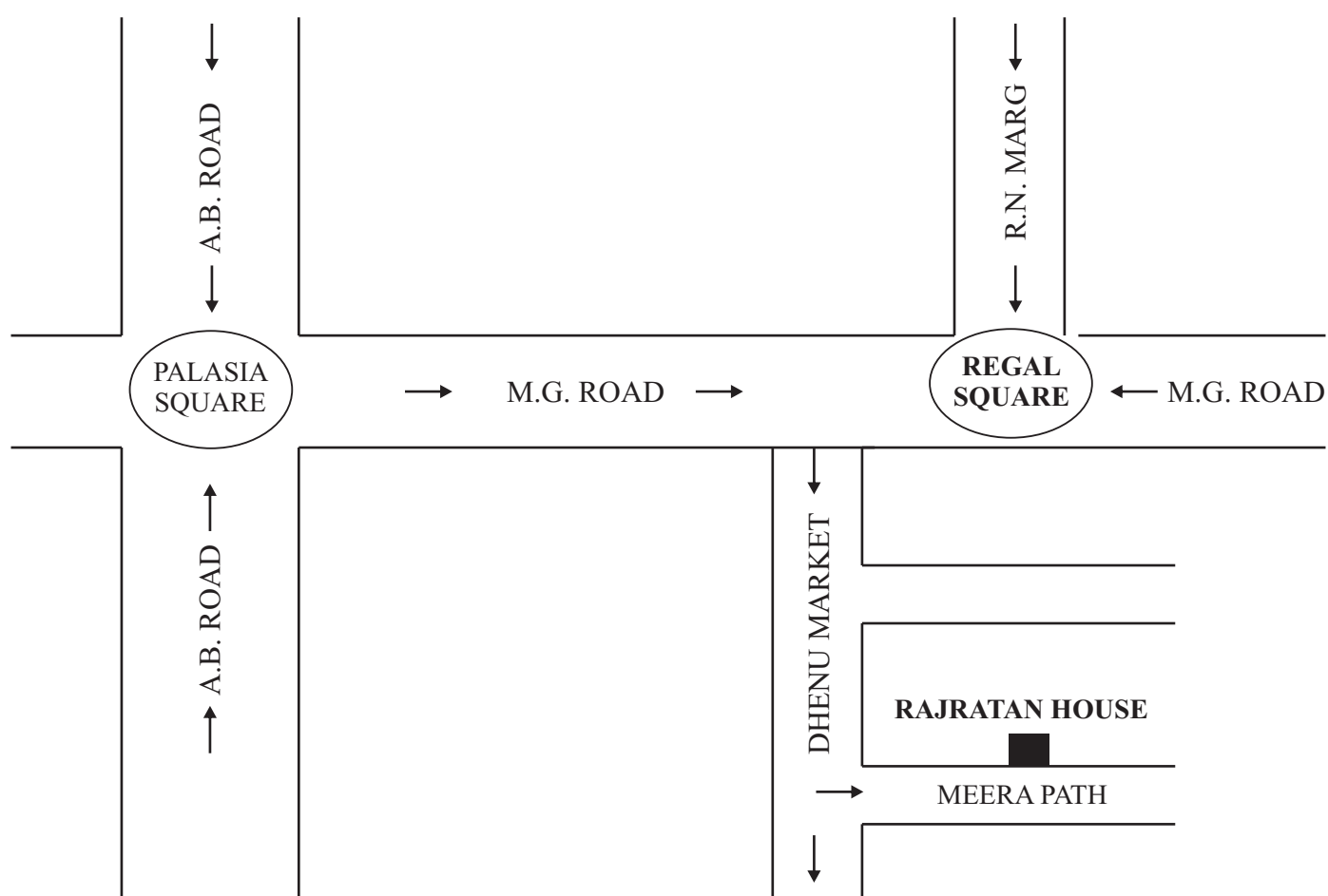
Signature of shareholder

Affix ₹ 1/-  
Revenue  
Stamp

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## ROUTE MAP TO THE VENUE OF THE AGM





Sincere thanks to   
our valued customers

**ATE**  
ALLIANCE TIRE GROUP

**apollo**

**BIRLA  
TYRES**  
Unbeatable!

**BKT**  
GROWING TOGETHER

**BRIDGESTONE**  
Your Journey, Our Passion

**CAMSO**

  
**CASUMINA**  
SAN DUONG TIN CAY

**CEAT**

**Continental**  
The Future in Motion

**DEESTONE**

  
**DURO**  
an HFR Hwa Fong Rubber Company

**GRI**  
Built To Move

**GOODYEAR**  
One Revolution Ahead

**HARTEX**

**HIHERO**

**IRC**

  
**JKTYRE**  
TOTAL CONTROL

  
**METRO**

  
**MRF**

**ND  
RUBBER**  
انڈیانا رابر

**NEXEN**  
NEXEN TIRE

  
**OTANI**

  
**sameerafrica**  
WE'LL TAKE YOU THERE

  
**SIAMTYRE**

**SR**

  
**SUMITOMO TIRE**

  
**TRELLEBORG**  
ENGINEERED SYSTEMS

  
**TVS TYRES**

  
**Vee Rubber**  
PERFORMANCE TIRES

  
**YOKOHAMA**

**BOOK - POST**

To,

If undelivered please return to :

**RAJRATAN GLOBAL WIRE LIMITED**  
Rajratan House, 11/2, Meera Path, Dhenu Market,  
Indore-452003, Madhya Pradesh, India.  
Tel.: +91-731-2546401  
[www.rajratan.co.in](http://www.rajratan.co.in)