

**48TH
ANNUAL REPORT
2018-2019**

Rathi Steel And Power Limited

RATHI STEEL AND POWER LTD.

CIN L27109DL1971PLC005905

BOARD OF DIRECTORS	Shri Prem Narain Varshney (DIN:00012709) – Managing Director Mr. Abhishek Verma (DIN 08104325), Smt Sangeeta Pandey (DIN 08213476), Additional Director* Smt Pinky Verma (DIN 08260165), Additional Director \$ * Appointed w.e.f 14-11-2018 \$ Appointed w.e.f 14-11-2018
AUDITORS	M/s H.G. & Company, Chartered Accountants III-A, 49 Nehru Nagar Ghaziabad (U.P.), Pin- 201001
LEGAL ADVISOR	Mr. Shiv Khorana, Advocate F-7, Second Floor, Lajpat Nagar-III New Delhi- 110024
BANKERS	Assets Care & Reconstruction Enterprise Ltd * Canara Bank Syndicate Bank Dena Bank J M Financial Asset Reconstruction Company Limited Corporation Bank * Bank of Baroda and State Bank of India has assigned its Loan
REGISTERED OFFICE	Chauhan Market, Madanpur Khadar, Near Local Shopping Complex, Pocket- D & E, Sarita Vihar, New Delhi-110076 Ph: 011- 4500 2400 Fax: 011-4500 2410 Web Site: http://www.rathisteelandpower.com
CORPORATE OFFICE	Industrial Area No. 1 A-3, South of GT Road Ghaziabad (U.P.) Pin- 201009 Ph: 0120-2840346-350 Fax: 0120-2840352-353
WORKS:	Unit No. 1 Industrial Area No. 1 A-3 & C-4, south side of GT Road, Ghaziabad (U.P.) Pin- 201009 Ph: 0120-2840346-350 Fax: 0120-2840352-353 Unit No.2 Vill. Potapalli, Sikirdi, P.S. Burla, Dist. Sambalpur Odisha Pin- 768006 Ph: 0663-2541170, 2230495
REGISTRAR & SHARE TRANSFER AGENT	Mas Services Limited T-34, Second Floor Okhla Industrial Area, Phase-II, New Delhi- 110020 Ph: 011-26387281-82-83 Fax:011-26387384 Email: info@masserv.com

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NOTICE

NOTICE is hereby given that the 48th Annual General Meeting of the Members of Rath Steel and Power Ltd. (CIN: L27109DL1971PLC005905) will be held at The Little Theater Group, Copernicus Marg, New Delhi- 110001 on Wednesday, October 30th 2019 at 10:00 A. M. to transact the following Business:

Ordinary Business:

1. Adoption of Financial Statements

To consider and adopt the audited financial statements of the Company for the year ended 31st March, 2019, together with the Report of the Directors and Auditors' thereon.

2. Appointment of Statutory Auditors

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the appointment of Messrs H.G. & Company, Chartered Accountants (Firm's Registration No. 013074C) as the auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 49th Annual General Meeting of the Company to be held in year 2020, subject to be ratified by shareholders at every AGM and to examine and audit the accounts of the Company for the Financial Year 2019-20 at such remuneration plus GST, out-of-pocket, travelling and living expenses etc., as may be mutually agreed between the Board of Directors and the Auditors.”

Special Business:

3. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2020 and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, as amended from time to time, the Company hereby ratifies the remuneration of Rs.50,000/- (Rupee fifty thousand) plus out-of-pocket expenses payable to Messrs R. M. Bansal & Co., Cost Accountants, Cost Accountants (Firm's Registration No. 000022) who have been appointed by the Board of Directors as the

Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending 31 March, 2020.”

4. To consider and if thought fit, to pass, with or without modifications, the following resolution as in ordinary resolution for Regularisation of Additional Director Mrs Sangeeta Pandey:

“RESOLVED THAT the consent of the members be and is hereby accorded to regularize Mrs Sangeeta Pandey (DIN 08213476) who was appointed as an Additional Director with effect from November 2018 on the Board of Company in terms of section 161 of the Companies Act 2013 as per Article of Association of the Company and who holds office upto date of this Annual General Meeting as independent Director of the Company.

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as in ordinary resolution for Regularisation of Additional Director Mrs Pinky Verma:

“RESOLVED THAT the consent of the members be and is hereby accorded to regularize Mr Pinky Verma (DIN 08260165) who was appointed as an Additional Director with effect from November 2018 on the Board of Company in terms of section 161 of the Companies Act 2013 as per Article of Association of the Company and who holds office upto date of this Annual General Meeting as independent Director of the Company.

RESOLVED FURTHER THAT Directors of the Company be and are hereby authorised to file necessary Forms and documents to give effect to this resolution.”

By Order of the Board

For Rath Steel And Power Ltd

Date: 04.10.2019
Place: Delhi

Registered Office: Chauhan Market, Madanpur Khadar, Near Local Shopping Complex, Pocket -D & E, Sarita Vihar New Delhi- 110076
CIN: L27109DL1971PLC005905

Phone : 011- 45002400, **Fax :** 011- 45002410

Email : investors@rathisteelandpower.com

Website : www.rathisteelandpower.com

Sd/-
Prem Narain Varshney
(Managing Director)
DIN: 00012709

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy and the proxy need not be a member of the Company.
2. The Proxy form must be deposited at the registered office of the Company not less than 48 hours before the scheduled hour of commencement of the meeting i.e. by 10:00 A. M. on October 28th, 2019.
3. Members/Proxies should bring their attendance slips duly filled in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting, as the copies of the report will not be circulated at the meeting.
5. The Register of Members and Share Transfer Registers of the Company will remain closed from October 24th 2019 to October 30th 2019 (both days inclusive).
6. Explanatory statements pursuant to section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting under Item No.3 & 4 is Annexed hereto.
7. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar M/s Mas Services Limited (Unit Rathi Steel), Phone (011)26387281-83, Fax : (011) 26387384, E-mail : info@masserv.com
11. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically
12. The details of directors who are proposed to be reappointed/newly appointed are given in Corporate Governance Report. There are no inter-se relationships between the Board Members.
13. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of voting through electronic means.

The cutoff date for determining the eligibility to vote by electronic means or by ballot in the general meeting shall be October 23rd 2019

The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting in terms of notification issued by the Ministry of Corporate Affairs dated 19.03.2015.

A separate communication containing all necessary instructions and relevant information is being sent separately.
14. The results of voting shall be declared at the Registered Office of the Company within 3 days of the conclusion of the Annual General Meeting by the chairman of the meeting and shall also be displayed at the website of the company www.rathisteelandpower.com

PROCESS FOR MEMBERS OPTING FOR E-VOTING

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 Clause 35B of the Listing Agreement, the

Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing 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 National Securities Depository Limited (NSDL). The detailed procedure to be followed in this regard has been given in Annexure – A to the notice. The members are requested to go through them carefully.

ANNEXURE TO THE NOTICE:

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3

Based on the recommendation of the Audit Committee, the Board in its meeting appointed Messrs R. M. Bansal & Co., Cost Accountants, to conduct the audit of the steel manufacturing and power generation business for the financial year 2019-20 at fee of Rs. 50,000/- plus out of pocket expenses.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be approved by the Members of the Company. Accordingly, the Members are requested to approve the remuneration payable to the Cost Auditors as set out in the Resolution at item No 3 of the convening Notice.

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

Item No. 4

Mrs Sangeeta Pandey (DIN 08213476) was appointed as an Additional Director with effect from November 2018 in accordance with the provisions of section 161 of the Companies Act 2013 and as per Article of Association of the Company. Pursuant to Section 161 of the Companies Act 2013 the above director needs to be regularized as regular Director in the ensuing Annual General Meeting and hence the resolution is presented among the members for approval and to be passed as an Ordinary Resolution.

Item No. 5

Mrs Pinky Verma (DIN 08260165) was appointed as an Additional Director with effect from November 2018 in accordance with the provisions of section 161 of the Companies Act 2013 and as per Article of Association of the Company. Pursuant to Section 161 of the Companies Act 2013 the above director needs to be regularized as regular Director in the ensuing Annual General Meeting and hence the resolution is presented among the members for approval and to be passed as an Ordinary Resolution.

By Order of the Board
For Rath Steel And Power Ltd

Sd/-

Prem Narain Varshney
(Managing Director)
DIN: 00012709

Date: 04.10.2019

Place: Delhi

Registered Office: Chauhan Market, Madanpur Khadar, Near Local Shopping Complex, Pocket –D & E, Sarita Vihar New Delhi- 110076

CIN: L27109DL1971PLC005905

Phone : 011- 45002400, **Fax :** 011- 45002410

Email : investors@rathisteelandpower.com

Website : www.rathisteelandpower.com

Annexure A to the notice

Instructions for the voting through electronic means

The procedure and instructions for e-voting as given in the Notice of the 48th Annual General Meeting are again reproduced hereunder for easy reference:

- I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):
 - a. Open e-mail and open PDF file viz. "RSPL- remote e-Voting.pdf" giving your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
 - b. Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>.
 - c. Click on Shareholder-Login.
 - d. Put user ID and password as initial password noted in step (i) above. Click Login.
 - e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "Rathi Steel and Power Limited".
 - h. Now you are ready for remote e-voting as Cast Vote page opens.
 - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
- k. Once you have voted on the resolution, you will not be allowed to modify your vote.
- II. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csskhatnagar@gmail.com with a copy marked to evoting@nsdl.co.in.
- III. In case of Members receiving Physical copy of Notice of 48th Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)
 - a. Initial password is provided in the box overleaf.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (i) above, to cast vote.
- IV. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsd.com or call on toll free no.: 1800-222-990.
 - A. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - B. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - C. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd October 2019.
 - D. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 23rd October 2019, may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on www.evoting.nsd.com or contact NSDL at the following toll free no.: 1800-222-990.

- F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- G. 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 remote e-voting as well as voting at the AGM through ballot paper.
- H. Mr. Sameer Kishore Bhatnagar, Practicing Company Secretary (M. No. 30997 and CoP No. 13115), Proprietor, M/s. Samir Bhatnagar & Company, Company Secretaries have been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- I. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- J. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- K. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.rathisteelandpower.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 48th Annual Report together with the Audited Statement of Accounts of Rathi Steel & Power Limited for the year ended 31st March, 2019.

1. FINANCIAL RESULTS:

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
	(RS. IN LACS)	(RS. IN LACS)
Sales	35027.22	35001.35
EBITDA	(2861.47)	(167.15)
Interest	0.12	1422.21
Depreciation	840.05	1877.73
Exceptional / Extraordinary Items	4630.69	8151.09
Profit Before Tax(PBT)	(8332)	(11618.18)
Tax adjusted for earlier year(s)	-	200.00
Profit after Tax (PAT)	(8332)	(11818.18)
Dividend	NIL	NIL

2. OPERATIONAL REVIEW:

During the year under review, the Company has achieved revenue from operation of Rs. 35027.22 Lacs as against previous year of Rs. 35001.35 Lacs. The Company has incurred loss of Rs. 8332.34 Lacs against previous year loss of Rs. 11818.18 lacs. Net loss of the period under report consists of Rs 4630.69 lacs as against Extraordinary items and bad and doubtful debts during the year. Company expects to do better if there is an improvement in overall industrial scenario.

3. DIVIDEND

In view of losses, no dividend has been recommended.

4. ECONOMIC SCENARIO AND OUTLOOK

Global growth is on an upswing and is expected to reach 3.60% in 2020. Growth in advanced economies is expected to slow down from 2.2% in 2018 to 1.8% in 2019 to 1.7% in 2020. The United States is expected to grow at a slower pace of 2.3% in 2019, down to a further 1.9% in 2020 as the impact of the fiscal stimulus fades.

Growth in the Euro area is expected to decline to 1.3% in 2019 as the effect of the weakness in 2018 is likely to carry forward to the first half of 2019. China's economic growth is expected to be at 6.3% in 2019 due to lingering impact of trade tensions with the US.

In January-July 2019, the world crude steel production reached 1083.95 million tonnes (mt) and showed a growth of 4.6% over January-July 2018. China remained world's largest crude steel producer in same period (577.06 mt) followed by India (66.19 mt), Japan (59.47 mt) and the USA (51.83 mt). World Steel Association has projected Indian steel demand to grow by 7.1% in 2019 while globally, steel demand has been projected to grow by 1.3% in 2019. Chinese steel use is projected to show 1.0% growth in 2019. Per capita finished steel consumption in 2018 was 224.5 kg for world and 590.1 kg for China. However, as per JPC, the same for India was 73.3 kg in 2018.

The Indian economy is expected to grow at about 7.3% in 2019 and further by 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. Resolution of Non-Performing Assets ('NPA') and other recoveries over the past year have been efficacious. Large NPA accounts should continue to see resolution in 2019. The projected increase in growth rate can also be attributed to sustained rise in consumption, gradual revival in investments, and greater focus on infrastructure development.

Indian Steel Sector

India was the world's second-largest steel producer with production standing at 106.5 MT in 2018. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry has entered into a new development stage, post de-regulation,

riding high on the resurgent economy and rising demand for steel. Rapid rise in production has resulted in India becoming the 2nd largest producer of crude steel during 2018, from its 3rd largest status in 2017. The country is also the largest producer of Sponge Iron or DRI in the world and the 3rd largest finished steel consumer in the world after China & USA. In a de-regulated, liberalized economic/market scenario like India the Government's role is that of a facilitator which lays down the policy guidelines and establishes the institutional mechanism/structure for creating conducive environment for improving efficiency and performance of the steel sector. In this role, the Government has released the National Steel Policy 2017, which has laid down the broad roadmap for encouraging long term growth for the Indian steel industry, both on demand and supply sides, by 2030-31. The Government has also announced a policy for providing preference to domestically manufactured Iron & Steel products in Government procurement

The Indian steel industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernisation and up-gradation of older plants and higher energy efficiency levels. Indian steel industries are classified into three categories such as major producers, main producers and secondary producers.

5. FUTURE OUTLOOK

According to the International Monetary Fund ('IMF'), global economic growth is expected to further decline to 3.3% in 2019 but return to 3.6% in 2020. While the slow paced growth in the second half of 2018 is likely to continue in the first half of 2019, growth in the second half of 2019 is expected to gain momentum, owing to an ongoing build-up of policy stimulus in China, improvements in global financial market sentiment, waning of some temporary drags on growth in the euro area, and a gradual stabilisation of conditions in stressed emerging market economies. Improved momentum for emerging market and developing economies is projected to continue into 2020, primarily reflecting developments in economies currently experiencing macroeconomic distress.

6. REVIVAL SCHEME

Company is in continuous talks with all the lenders as well as investors to work out a long term revival scheme to maximise the recovery for its lenders.

7. CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development

8. RISK MANAGEMENT POLICY

Risk management policy of the Company promotes a proactive approach in reporting, evaluating and mitigating risks associated with the business. Mechanisms for identification and prioritization of risks include business risk environment scanning and focused discussions in the Risk Management Group (at Senior Management Level) and Risk Management Committee meetings.

Although non-mandatory, the Company has constituted a Risk Management Committee (RMC) to oversee the risk management efforts in the Company under the Chairmanship of Mr. Prem Narain Varshney, Managing Director. The details of the Committee along with its terms of reference are set out in the Corporate Governance Report, forming part of the Annual Report.

A risk assessment update is provided to the RMC on periodical basis. The Committee assists the Audit Committee and the Board of Directors in overseeing the Company's risk management processes and controls. Some of the risks identified are set out in the Management Discussion and Analysis which forms part of the Annual Report.

9. INTERNAL FINANCIAL CONTROLS

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes,

safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well-defined delegation of power with authority limits for approving revenue as well as expenditure, both capital and revenue. The Company uses an established ERP system to record day to day transactions for accounting and financial reporting.

The Company's internal audit function monitors and assesses the adequacy and effectiveness of the Internal Financial Controls. The Audit Committee deliberated with the members of the management, considered the systems as laid down and met the internal auditors and statutory auditors to ascertain, inter alia, their views on the internal financial control systems. The Audit Committee satisfied itself of the adequacy and effectiveness of the internal financial control system as laid down and kept the Board of Directors informed. Details of internal control system are given in the Management Discussion and Analysis Report, which forms part of the Report.

10. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. Protected disclosures can be made by a whistleblower through several channels. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

11. RELATED PARTY TRANSACTIONS

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. However, there were material related party transactions in pursuance of regulation 23 of SEBI (LODR) regulations, 2015. All material related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Appointment/Re-appointment

In the financial year ending March 31, 2019. Mrs Sangeeta Pandey and Mrs. Pinky Verma both were appointed as an Additional Director of the Company w.e.f. November 14, 2018 and who is proposed to be regularized as Director of the Company in the ensuing Annual General Meeting. Further, Sh. S. K. Daga and and Sh D. D. Lakhotia both resigned on November 14, 2018 from the post of Director.

Independent Directors

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation in terms of Section 149(13) the Act. In accordance with Section 149(7) of the Act, each Independent Director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and the Listing Regulations. Details of Familiarisation programme for Independent Director is provided separately in the Corporate Governance Report.

Key Managerial Personnel (KMP)

Mr. P. N. Vershney, Managing Director, Mr Shyam Bageshara (CFO) and Mrs. Shobhita Singh, Company Secretary are the other KMP as per the definition under Section 2(51) and Section 203 of the Act.

BOARD EVALUATION

Pursuant to the provisions of the Act and the corporate governance requirements prescribed under the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, and that of its Committees and Individual Directors.

The performance of the Board and individual Directors was evaluated by the Board after seeking inputs from all the directors. The criteria for performance evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in the long term strategic planning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members. The criteria for performance evaluation of the committees included aspects such as composition of committees, effectiveness of committee meetings, etc.

The Board and the 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 and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the feedback received from the Directors on the performance of the Board, its Committees and Individual directors were also discussed.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external consultant(s), including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the FY 2018-19.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- (b) 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;
- (c) 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;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORTS

Pursuant to Regulation 34 of SEBI (LODR) Regulation, 2015, the Management Discussion and Analysis and the Corporate Governance Report are presented in a separate section forming part of the Annual Report.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to the provisions of Section 134 of the Act read with the Companies (Accounts) Rules, 2014, are provided in **Annexure -1** to this Report.

16. AUDITORS

I. Auditors and their report:

In the AGM held on 26th September, 2017, M/s. H. G & Company, Chartered Accountants, were appointed as Statutory Auditors of the Company for a period of three years i.e. till the financial year ending March 31, 2020. As required by the provisions of the Companies Act, 2013 their appointment should be ratified by members each year at the AGM. Accordingly, requisite forms part of the notice convening the AGM.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this Report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

II. Cost Auditors and Cost Audit report:

In view of the provisions of Section 148 and all other applicable provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, R. M. Bansal & Co., Cost Accountants have been appointed as Cost Auditors to conduct the audit of cost records of your Company for the FY 2019-20. The remuneration proposed to be paid to them requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to Cost Auditors is being sought at the ensuing AGM. The Company is properly maintaining the records for the purpose of Cost Audit as per the provisions of the Companies Act, 2013.

III. Secretarial Audit

In terms of Section 204 of the Act and Rules made there under, M/s. Samir Bhatnagar & Company, Practicing Company Secretaries have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure-2** to this Report. The report is self-explanatory and do not call for any further comments.

IV. Internal Auditors

M/s Rajiv S Agarwal & Co. Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

17. DISCLOSURES

i. Details of Board meetings

During the year, 18(Eighteen) Board meetings were held and the details of which are provided in the Corporate Governance Report.

ii. Composition of Audit Committee:

The Audit Committee comprises 3 (three) Members out of which two are Independent Directors. During the year, 4 (Four) Audit Committee meetings were held and the details of which are provided in the Corporate Governance Report.

Listing Regulations

The Securities and Exchange Board of India (SEBI) has, by its notification dated 2nd September, 2015, issued the (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. The Regulations became effective from 1st December, 2015 and have replaced the Listing Agreements. Accordingly, all listed entities were required to enter into the Listing Agreement within 6 (six) months from the effective date. The Company has entered into Listing Agreement with BSE Limited. Pursuant to the Listing Regulations, the following policies were approved and adopted by the Board:

- (i) Policy on determination of Materiality for disclosures of events or information.
- (ii) Policy for preservation of documents, to classify documents in two categories, viz. documents which need to be preserved permanently and documents which need to be preserved for not less than 8 years after completion of the relevant transactions.
- (iii) Archival Policy, to determine the period, for which information is required to be disclosed on the Company's website. Policy on Materiality and Archival Policy are also available on the website of the Company under 'Investor Relations' section.

Particulars of Employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The company has One Executive Director and no sitting fees have been paid to any director during the year. Details enclosed as **Annexure-4** to this Report

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

A detailed note on ongoing litigations/court orders has been provided in the notes to account. EXTRACT OF ANNUAL RETURN

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT 9 is enclosed as **Annexure -3** to this Report.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the continued support and co-operation by Financial Institutions, Banks, Government authorities and other stakeholders. Your Directors also acknowledge the support extended by the Company's Unions and all the employees for their dedicated service.

CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

For and on behalf of the Board of Directors

Sd/-

Shobhita Singh

Company Secretary

New Delhi

30.09.2019

Sd/-

Prem Narain Varshney

Managing Director

DIN: 00012709

This is to confirm that the Company has adopted the Code of Conduct for its employees including the Managing Director and the Whole-time Directors. In addition, the Company has adopted the Code of Conduct for the Non-Executive Directors. Both these Codes are available on the Company's website.

I confirm that the Company has in respect of the Financial Year ended March 31st, 2019, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Members of the Management one level below the Managing Director as on March 31st, 2019.

Sd/-

Prem Narain Varshney

Managing Director

DIN: 00012709

New Delhi

30.09.2019

ANNEXURE TO THE DIRECTORS' REPORT:

ANNEXURE-1

I. CONSERVATION OF ENERGY

(A) Energy Conservation measures taken

- i. All the staff members are strictly instructed to switch off all the lights and equipments after office hours when not in use.
- ii. Optimization of capacity utilization thus reducing specific consumption of energy.
- iii. Strict control of quality input for saving electricity consumption.
- iv. Minimization of handling loss.

(B) Additional Investment and proposals, if any, being implemented for reduction of consumption of energy.

The company is studying the feasibility of adding variable frequency drives for various applications wherever suitable, to bring down the energy consumption subject to techno-commercial viability of the proposal.

(C) The impact of above (a) and (b) for reduction of energy consumption and consequent impact on cost of production of goods.

(D) The per ton power consumption has been under

FORM A

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

S. No.	PARTUCULARS	Current Year	Previous year
A.	Power and Fuel Consumption		
1.	ELECTRICITY		
	Ghaziabad Unit		
	(a) Purchase Units		
	(i) Rolling Mill Unit (A-3)	17533000	10857368
	(ii) SMS Unit (C-4)	21186600	19112961
	(b) Total Amount (In Rs.)		
	(i) Rolling Mill Unit (A-3)	144091265	98599669
	(ii) SMS Unit (C-4)	154332483	145105924
	(c) Rate / Unit		
	(i) Rolling Mill Unit (A-3)	8.22	9.08
	(ii) SMS Unit (C-4)	7.28	7.38
	Odisha Unit		
	(a) Purchase Units (KWH)	-	-
	(b) Total Amount (In Rs.)	-	-
	(c) Rate / Unit	-	-
	Own Generation	-	-
2.	GAS & FUELS		
	(a) Natural Gas / Furnace Oil (SCM / Litre)	22,78,263	19,75,212
	(b) Natural Gas Rs./ SCM	N.A.	N.A.
	(c) FO/ HSD Rs. / Liter	47.73	32.24
	(d) Coal Rs. / Kg	9.62	NIL
3.	OTHER GENERATION	NIL	NIL
B.	CONSUMPTION PER MT OF PRODUCTION		
	Ghaziabad Unit		
	Electricity (in unit)		
	(i) Rolling Mill Unit (A-3)	186 per MT	250 per MT
	(ii) SMS Unit (C-4)	506 per MT	520 per MT
	Natural Gas / FO (SCM / Litre)	24.23 73 Ltr per MT	45.48 Ltr per MT
	Coal (Kg)	33.03	--
	Odisha Unit		
	Electricity (KWH) per ton Billet		

Note: Previous year figures have been regrouped / rearranged wherever necessary.

II. TECHNOLOGY ABSORPTION

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

A. Research and Development

The Company is doing in house R&D activities to improve operational efficiencies and yield of its products.

B. Technology Absorption, Adaptation & Innovation

- (1) Efforts in brief, made towards technology absorption and innovation. - The company has always tried to adopt the best and latest technologies to manufacture its products. It is due to this very reason that over the years the company has witnessed very positive response and quick adaptation of the various products and grades of steel that have been manufactured from time to time. For instance, the company was amongst the first in the country to adopt the TOR® technology in the 1970s and was again amongst the first to make a quick transformation to THERMEX® technology for manufacturing TMT bars at its Ghaziabad plant.

In the area of special steel as well, the company has installed the most modern and suitable technology for manufacturing of high quality stainless steel products in the steel melting shop at Ghaziabad and has also installed the most modern mono-block to finish superior quality of wire rods. In addition to the above, the company has also continuously upgraded and modernized the rolling mills to adhere to the international standards.

III. FOREIGN EXCHANGE EARNINGS & OUTGO

1. Activities relating to exports, initiatives taken to increase exports, development of new Export market for products and services and export plans.

The Company is in continuous process to promote its products in other countries to increase its market share. The Company promptly responds to the enquiry/ information received from the prospective buyers.

2. Total Foreign Exchange used and earned:

Expenditure in Foreign Currency : Rs. 4,87,99,333/-

FOB Value of exports: NIL

ANNEXURE-2

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2019

[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

**M/s Rathi Steel and Power Limited
Chauhan Market, Madanpur Khadar
Near Local Shopping Complex, Pocket-D & E
SaritaVihar New Delhi - 110076**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Rathi Steel and Power 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, 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 ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board process 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 March 31, 2019, 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 (FDI) and Overseas Direct Investment and External Commercial Borrowings.
 - 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 (Prohibition of Insider Trading) Regulations, 1992;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - 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 (Issue and Listing of Debt Securities) Regulations, 2008
 - h. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - vi. Other specific laws applicable to the Company are :
 1. Factories Act, 1948
 2. Employees State Insurance Act, 1948 and the rules made there under
 3. The Contract Labour (Regulation and Abolition) Act, 1970
 4. Environmental Pollution Act, 1986
 5. The Electricity Act, 2003
 6. The Industrial Dispute Act, 1947
 7. The Child Labour Act, 1970
 8. The Water (Prevention and Control of Pollution) Act, 1974 read with Water (Prevention and Control of Pollution) Rules, 1975
 9. Environment Protection Act, 1986
 10. Air (Prevention and Control of Pollution) Act, 1981 read with Air (Prevention and Control of Pollution) Rules, 1982.
- We have also examined the compliance with the applicable clauses of the following:
- a. Secretarial Standards issued by the Institute of Company Secretaries of India.
 - b. The Listing Agreements entered into by the company with the stock exchanges.
- 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:
- We further report that:
1. The Company is yet to file financials and related documents in Form AOC4 for the financial year ending March 31, 2016 and March 31, 2017 and Form MGT7 for the financial year ending March 31, 2014, March 31, 2016 and March 31, 2017.
 2. The Company is yet to file Form MGT14 and Form SH7 w.r.t. Increase in Authorised Share Capital from Rs. 65,00,00,000/- to Rs. 90,00,00,000/-. The Company has already passed members resolution in the General Meeting for the same
 3. The Company is yet to file Form PAS3 w.r.t. allotment of 45196748 Redeemable Preference Shares.
 4. The Authorised Share Capital as appearing on MCA Portal (www.mca.gov.in) as on date is Rs. 65,00,00,000/- whereas the Paid Up Share Capital is appearing as Rs. 76,50,48,590/-.
 5. The Company – M/s Rathi Steel and Power Limited, its former MD – Mr. Pradeep Kumar Rathi, former CEO – Mr. Udit Rathi and Asst. General Manager – Mr. Kushal Aggarwal has

been found guilty and convicted under Section 420 and Section 120B of IPC in Coal Block Case by Special Court on 26.07.2016. They were granted bail by Special Court on 27.07.2016 with certain conditions which has since been complied with. The Company has further filed appeal with Hon'ble High Court, Delhi against the said order and the case is till pending.

ANNEXURE – A

To,
The Members
M/s Rathi Steel and Power Limited
Chauhan Market, Madanpur Khadar
Near Local Shopping Complex, Pocket-D & E
SaritaVihar New Delhi - 110076

6. There were Compliances relating to filing of Unaudited Financials with the BSE which were not done within time during the financial year.

We further report that:

The Constitution of Board of Directors of the Company was proper as per the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda weresent at least seven days 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.

We further report that there are adequate systems and processes in the Company commensurate with the size and operation of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of:-

- b. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- c. Redemption / buy-back of securities.
- d. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- e. Merger/ amalgamation/ reconstruction, etc.
- f. Foreign technical collaborations.

Sd/-

Sameer Kishore Bhatnagar
Practicing Company Secretary

Place: New Delhi

M. No. 30997

Date: 04.9.2019

CoP No. 13115

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

- 1. Maintenance of Secretarial records 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 verifications were 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. Wherever 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 the Management. Our examination was limited to the verification of procedures on test basis.
- 6. The Secretarial Audit Report 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.

Sd/-

Sameer Kishore Bhatnagar
Practicing Company Secretary

Place: New Delhi

M. No. 30997

Date: 04.9.2019

CoP No. 13115

Annexure -3**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS:

i	CIN	L27109DL1971PLC005905
ii	Registration Date	17/12/1971
iii	Name of the Company	RATHI STEEL AND POWER LIMITED
iv	Category/Sub-category of the Company	Indian Non-Government Company
v	Address of the Registered office & contact details	Chauhan Market, Madanpur Khadar, Near Local, Shopping Complex, Pocket-D & E, Sarita Vihar, New Delhi-110076
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	"M/s. Mas Services Limited (Unit Rathi Steel). T-34, Second Floor, Okhla Ind. Area, Phase-II, New Delhi- 110020

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)

SL No	Name & Description of main products/services	NIC Code of the Product / service	% to total turnover of the company
1	Steel	24105	94.57%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N/A				

IV SHAREHOLDING PATTERN

(Equity Share capital Break up as % to total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1- April 2018]				No. of Shares held at the end of the year [As on 31-March 2019]				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	8245219	0	8245219	26.34%	8245219	0	8245219	26.34%	0	0%
b) Central Govt.or State Govt.										
c) Bodies Corporates	7867695		7867695	25.13%	7867695		7867695	25.13%	0	0%
d) Bank/Fl										
e) Any other										
e) Any other										
SUB TOTAL:(A) (1)	16112914	0	16112914	51.47%	16112914	0	16112914	51.47%	0	0%
(2) Foreign										
a) NRI- Individuals										
b) Other Individuals										
c) Bodies Corp.										
d) Banks/Fl										
e) Any other...										
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	16112914	0	16112914	51.47%	16112914	0	16112914	51.47%	0	0%
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	686913		686913	2.19%	686913		686913	2.19%	0	0%
b) Banks/Fl	2008056		2008056	6.41%	2008056		2008056	6.41%	0	0%
c) Central Govt										
d) State Govt.										
e) Venture Capital Fund										
f) Insurance Companies										
g) FIIS										
h) Foreign Venture Capital Funds										
i) Others (specify)										
i) Others (specify)										
SUB TOTAL (B)(1):	2694969		2694969	8.61%	2694969	0	2694969	8.61%	0	0%
(2) Non Institutions										
a) Bodies corporate										
i) Indian										
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	6062854	518220	6581074	21.02%	6140483	510952	6651435	21.25%	70361	0.22%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	3928972		3928972	12.55%	3973230	0	3973230	12.69%	44258	0.14%
Any Other	1939168	51014	1990182	6.36%	1824549	51014	1875563	5.99%	-114619	(0.36 %)
SUB TOTAL (B)(2):	11930994	569234	12500228	39.93%	11938262	561966	12500228	39.93%	0	0%
Total Public Shareholding (B)= (B)(1)+(B)(2)	14625963	569234	15195197	48.53%	14633231	561966	15195197	48.53%	0	0%
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)	30738877	569234	31308111	100.00%	30746145	561966	31308111	100.00%	0	0%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Mr. UDIT RATHI	740231	2.36%	2.36%	740231	2.36%	2.36%	0.00%
2	Mr. PRADEEP KUMAR RATHI	7504988	23.97%	23.97%	7,504,988	23.97%	23.97%	0.00%
3	M/s ARCHIT SECURITIES PVT LTD	4035223	12.89%	12.89%	4035223	12.89%	12.89%	0.00%
4	M/s DBG LEASING AND HOUSING LIMITED	3832472	12.24%	12.24%	3832472	12.24%	12.24%	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	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	No changes during the year		16112914	51.47%	16112914	51.47%
	Changes during the year	No changes during the year		0	0.00%	0	0.00%
	At the end of the year	No changes during the year		16112914	51.47%	16112914	51.47%

(iv) Shareholding Pattern of top ten Shareholders*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SYNDICATE BANK						
	At the beginning of the year			1,091,536	3.49%	1,091,536	3.49%
	Changes during the year				0.00%	--	0.00%
	At the end of the year			1,091,536	3.49%	1,091,536	3.49%
2	ANUPAMA SARDA						
	At the beginning of the year			901,696	2.88%	901,696	2.88%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			901,696	2.88%	901,696	2.88%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
3	LIC MF SPECIAL UNIT SCHEME						
	At the beginning of the year			686,913	2.19%	686,913	2.19%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			686,913	2.19%	686,913	2.19%
4	MODERN FERRO ALLOYS PRIVATE LIMITED						
	At the beginning of the year			500,000	1.60%	500,000	1.60%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			500,000	1.60%	500,000	1.60%
5	PUNJAB NATIONAL BANK						
	At the beginning of the year			4,33,297	1.38%	4,33,297	1.38%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			4,33,297	1.38%	4,33,297	1.38%
6	SRM CAPITAL MARKET PVT LTD						
	At the beginning of the year			135,254	0.43%	135,254	0.43%
	Changes during the year			300000	0.96%	300,000	0.96%
	At the end of the year			435,254	1.39%	435,254	1.39%
7	ANIRUDH RATHI						
	At the beginning of the year			427,482	1.37%	427,482	1.37%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			427,482	1.37%	427,482	1.37%
8	DENA BANK						
	At the beginning of the year			369,161	1.18%	369,161	1.18%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			369,161	1.18%	369,161	1.18%
9	ASISH AGRAWAL						
	At the beginning of the year			225,041	0.72%	225,041	0.72%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			225,041	0.72%	225,041	0.72%
10	PURUSHOTTAM SARDA						
	At the beginning of the year			199,286	0.64%	199,286	0.64%
	Changes during the year			-	0.00%	-	0.00%
	At the end of the year			199,286	0.64%	199,286	0.64%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
There is no Director or KMP, who is holding shares of Company							

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	59504.56	222.82		59727.38
ii) Interest due but not paid	4671.36			4671.36
iii) Interest accrued but not due	0.00			0.00
Total (i+ii+iii)	64175.92	222.82	0.00	64398.74
Change in Indebtedness during the financial year				
* Addition	0.81	0.00		0.81
* Reduction	0.00	0.00		0.00
Net Change	0.81	0.00	0.00	0.81
Indebtedness at the end of the financial year				
i) Principal Amount	59505.37	222.82		59728.19
ii) Interest due but not paid	4671.36			4671.36
iii) Interest accrued but not due				0.00
Total (i+ii+iii)	64176.73	222.82	0.00	64399.55

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	PREM NARAIN VARSHNEY	(Rs/Lac)
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,60,300.00	3.60
	(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		
	Total (A)	3,60,300.00	3.60
	Ceiling as per the Act		

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount (Rs/Lac)
		DWARKA DAS LAKHOTIA	SHREE KUMAR DAGA	PINKY VERMA	AKANKSHA GARG	AKANKSHA GARG	
1	Independent Directors						
	Fee for attending board committee meetings	--	--			--	--
	Commission	--	--			--	-
	Others, please specify	--	--			--	--
	Total (1)	--	--			--	--
2	Other Non-Executive Directors	--	--			--	--
	Fee for attending board committee meetings	--	--			--	--
	Commission	--	--			--	--
	Others, please specify	--	--			--	--
	Total (2)	--	--			--	--
	Total (B)=(1+2)	--	--			--	--
	Total Managerial Remuneration (A+B)	--	--			--	3.60
	Overall Ceiling as per the Act						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs/Lac)
		CFO	CS	
	Name	Shyam S Bageshara	Shobhita Singh *	
	Designation			
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,52,000	1,89,516	10.42
	(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	-	-	-
	Total	8,52,000	1,89,516	10.42

*Appointed w.e.f 14th August 2018

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

There are no Penalties / Punishment / Compounding of offences as per Companies Act against the Directors and its officers.

Annexure 4

PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is follows:

(a) The ratio of the remuneration of each director to the median remuneration of the employee of the Company for the financial year:

Directors	Ratio to median Remuneration
Sh. Prem Narain Varshney	2.37
Sh. Shree Kumar Daga	NIL
Sh. Dwarka Das Lakhota	NIL
Ms. Akanksha Garg	NIL
Sh. Abhishek Verma	N.A.

(b) The percentage increase in remuneration of each Director, Chief Executive officer, Chief Financial officer, Company Secretary or Manager, if any, in the financial year;

Name of person	% increase in remuneration
Sh. Prem Narain Varshney	0.00%
Sh. Shyam S Bageshra	0.00%
Smt. Shobhita Singh	N.A.

(c) The percentage increase in the median remuneration of employees in the financial year – Looking at the loss of Company, there was no increment in this year except in few cases. In general there is marginal increment in the remuneration of staff which is not based on %.

(d) The number of permanent employees on the rolls of company: As on 31.03.2019 employees are 203. Further, the contractual labour were 67 as on 31-03-2019.

(e) The explanation on the relationship between average increase in remuneration and company performance: Looking at the loss of Company, there was no increment in this year

except in few cases. In general there is marginal increment in the remuneration of staff which is not based on percentage.

(f) Comparison of the remuneration of the Key Managerial Personnel against the Performance of the company:

Particulars	Rs in Lacs
Remuneration of Key Managerial Personnel(KMP) during financial year 2018-19 (Aggregated)	14.02
Revenue from operations	37002.31
Remuneration (as % of revenue)	0.04%
Profit before tax (PBT)	(8332.24)
Remuneration (as % of PBT)	N.A.

(g) Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and 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 case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;

Particulars	Unit	As at 31 March 2019	As at 31 March 2018	Variation (%)
Closing rate of share at BSE	Rs.	2.10	2.33	(10.95%)
EPS	Rs.	(26.61)	(37.75)	41.86%
Market Capitalisation	Rs./Lac	657.47	729.48	(10.95%)
Price Earning Ratio	Ratio	N.A.	N.A.	N.A.

(h) Marginal increment already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with marginal increase in the managerial remuneration and justification there of and point out if there are any exceptional circumstances for increase in the managerial remuneration.

i) Comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company

Particulars	MD	C.S.	CFO
	Rs/lac	Rs/lac	Rs/lac
Remuneration	3.60	1.90	8.52
Revenue from Operations	37,002.31		
Remuneration (as % Revenue)	0.01%	0.01%	0.02%
Profits before tax (PBT)	(8332.34)		
Remuneration (as % of PBT)	N.A.	N.A.	N.A.

(j) The key parameters for any variable component of remuneration availed by the directors: NIL

(k) The Ratio of the Remuneration of the highest paid Director to that of Employees who are not Directors but receive Remuneration in excess of the highest paid Director during the year: NIL

(l) Affirmation that the remuneration is as per the remuneration policy of the company

The company's remuneration policy is driven by the success and performance of the individual employees and the Company. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the company.

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development

Global growth is on an upswing and is expected to reach 3.60% in 2020. Growth in advanced economies is expected to slow down from 2.2% in 2018 to 1.8% in 2019 to 1.7% in 2020. The United States is expected to grow at a slower pace of 2.3% in 2019, down to a further 1.9% in 2020 as the impact of the fiscal stimulus fades. Growth in the Euro area is expected to decline to 1.3% in 2019 as the effect of the weakness in 2018 is likely to carry forward to the first half of 2019. China's economic growth is expected to be at 6.3% in 2019 due to lingering impact of trade tensions with the US.

Global Steel Demand-

- After a contraction of -3.0% reported in 2015, global steel demand is continuously growing and in 2019 the demand for steel is expected to remain on the positive side. While the robustness of steel demand recovery seen in 2017 was carried forwarded to 2018, risks have also increased. Rising trade tensions and volatile currency movements are increasing uncertainty in the global steel industry.
- The Short Range Outlook of the World Steel Association (worldsteel) projected that global steel demand will reach 1,657.9 Million Tonnes (mnt) in 2018, an increase of 3.9% over 2017. For year 2019, it is forecasting that global steel demand will grow by 1.4% reaching to 1,681.2 mnt.
- The report is also forecasting that the demand for steel in the developed world remains healthy, while in the developing countries steel demand will continue to recover amid challenges.

Outlook for Indian Steel Industry: The liberalization of industrial policy and other initiatives taken by the Government of India have given a definite impetus for entry, participation and growth of the private sector in the steel industry. While the existing units are being modernized/expanded, a large number of new steel plants have also come up in different parts of the country based on modern, cost effective, state

of-the-art technologies.

In the last few years, the rapid and stable growth of the demand side has also prompted domestic entrepreneurs to set up fresh greenfield projects in different states of the country. Crude steel capacity was 142.24 mt in 2018-19, up by 3.1% over 2017-18 and India, which emerged as the 2nd largest producer of crude steel in the world in 2018, as per data released by the World Steel Association, has to its credit, the capability to produce a variety of grades and that too, of international quality standards. (ii) Pig Iron: India is also an important producer of pig iron. Post-liberalization, with setting up several units in the private sector, not only imports have drastically reduced but also India has turned out to be a net exporter of pig iron. The private sector accounted for 91% of total production of pig iron (6.414 mt) in the country in 2018-19. (iii) Sponge Iron: India, world's largest producer of sponge iron (2018), has a host of coal based units located in the mineral-rich states of the country. Over the years, the coal based route has emerged as a key contributor and accounted for 79% of total Sponge Iron production in the country. Capacity in Sponge Iron making too has increased over the years and stood at 46.56 mt (2018-19).

Future Outlook

In FY19, India produced 131.57 million tonnes (MT) and 106.56 MT of gross finished steel and crude steel, respectively. Exports and imports of finished steel stood at 0.72 MT and 1.12 MT, respectively, in FY20P (up to May). India's finished steel consumption grew at a CAGR of 7.5 per cent during FY08-FY19 to reach 97.54 MT. India's steel production is expected to increase from 106.56 MT in FY19 to 128.6 MT by 2021.

The Government has taken various steps to boost the sector including the introduction of National Steel Policy 2017 and allowing 100 per cent Foreign Direct Investment (FDI) in the steel sector under the automatic route. Between April 2000 and March 2019, inflow of US\$ 113.12 billion has been witnessed in the metallurgical industries as Foreign Direct Investment (FDI).

The Government has launched the National Steel Policy 2017 that aims to increase the per capita steel consumption to 160 kgs by 2030-31. The government has also promoted Policy which provides a minimum value addition of 15 per cent in notified steel products which are covered under preferential procurement

The Government to Focus on Increasing Per Capital Steel Consumption to 160 kg by 2030

- The government of India is keeping a brave face and its focus areas for the new year include increasing per capital steel consumption, finding new markets for India-made steel and a shift in the industry's attention towards production of special steel. The government has fixed a target to ramp up the country's crude steel production to 300 mnt by 2030 from about 138 mnt at the end of March 2018. The target for the per capital steel consumption is 160 kg by 2030.
- Union Steel Minister Chaudhary Birender Singh said "The per capita steel consumption in India is at around 68 kg as against the world average of around 208 kg. It is very low,"
- India is number two in the world in terms of steel output and as the production is growing, it needs to look for markets locally as well as outside India, he said. "Market is possible when consumption also increases. Our focus in the new year will be to increase the per capita steel consumption in India," he said.
- The focus in 2019 would also be on increasing the output of special steel in India, the minister said. Minister added the Indian steel sector is full of opportunities and the country must aim to grab the numero uno position in quality steel production.
- Steel Secretary Binoy Kumar said steel players, especially the PSUs, will have to produce more value-added products in the coming years. The aim will definitely be to increase the output of special steel in the country, while the PSUs

would need to ramp up their overall production, he said. Kumar also assured that the government would strive to ensure better availability of raw materials, which has been a key demand of the industry.

VISION OF GOVERNMENT OF INDIA

- To facilitate enhancement of steel production capacity (currently 109 Million tones, production 90 Million tones(approx)) and growth in Steel Production.
- To monitor the capital expenditure and modernization & expansion programmes of PSEs quarterly.
- To facilitate adequate availability of raw materials for steel industry from domestic & overseas sources.
- To facilitate and promote R&D in steel sector and monitor the performance parameters of iron & steel production.
- To monitor & facilitate the mergers, acquisitions & joint ventures in Steel Ministry PSEs.
- To enhance customer/client satisfaction through prompt response or redressal of customer issues as per service delivery standards of citizens' charter of the Ministry of Steel.

Government Initiatives

Some of the other recent government initiatives in this sector are as follows:

- An export duty of 30 per cent has been levied on iron ore[^] (lumps and fines) to ensure supply to domestic steel industry.
- Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.

- The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 envisages 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030-31.
- The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US\$ 30 million).

The Government of India raised import duty on most steel items twice, each time by 2.5 per cent and imposed measures including anti-dumping and safeguard duties on iron and steel items.

Risk & Concerns

The Company on regular basis reviews its Risk Management Policy and takes proactive steps to safeguard and minimize any adversity related to the Market, Technology, People, Environment/Regulatory, Financial and Opportunity Risks. Wherever necessary, the Company takes adequate insurance coverage of its assets for safeguarding from unforeseen risks.

Internal Control System and their adequacy

The Company has adequate internal control system and well laid-down policies and procedures for all its operations and financial functions. The procedures are aligned to provide assurance for maintaining proper accounting controls, monitoring efficient and

proper usage of all its assets and reliability of financial and operational reports. The internal control system is ably supported by the Internal Audit Department which carries out extensive audit of various functions throughout the Company. The Company's Board has an Audit Committee which comprises of three members, all of whom are Independent Directors. The Audit Committee reviews significant findings of the internal audit.

Financial Performance

During the year under review, the Company has achieved revenue from operation of Rs. 35027.22 Lacs as against previous year of Rs. 35001.35 Lacs. The Company has incurred loss of Rs. 8332.34 Lacs against previous year loss of Rs. 11818.18 lacs. Net loss of the period under report consists of Rs 4630.69 lacs as against Extraordinary items and bad and doubtful debts during the year. Company expects to do better if there is an improvement in overall industrial scenario.

Human Resources and Industrial Relation

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various Human Resource initiatives are taken to align the HR Policies to the growing requirements of the business.

The Company has a structured induction process and management development programmes to upgrade skills of managers. Technical and safety training programmes are given periodically to workers.

Industrial relations in the organization continued to be cordial during the year under review.

Corporate Governance Report

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

The Company has an active, experienced and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's corporate governance philosophy.

The Company is in compliance with the requirements stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

BOARD OF DIRECTORS

i) Composition

The composition of the Board of Directors of the Company is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act'). As on 31st March, 2019, the Board comprised four Directors, out of which three are Non- Executive Directors and one Managing Director. Out of three Non-Executive Directors, two (i.e. 66.66%) are Independent Directors and one woman Independent Director.

None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all the public companies in which he/she is a Director. All the Directors have made the requisite disclosures regarding committee positions held by them in other companies. None of the Directors of the Company is related to each other.

Details of Directors, categories and attendance records are as under-

Name/Designation of Directors	Executive/ Non Executive/ Independent	No. of Position held in other companies		No. of Board Meetings Attended	Attendance at Last AGM
		Board#	Committee		
Mr. Prem Narain Varshney Managing Director	ED	1	Nil	18	Yes
Mr. Dwarka Das Lakhotia @	NED (I)	Nil	Nil	12	Yes
Mr. Shree Kumar Daga #	NED (I)	1	Nil	5	Yes
Ms Akanksha Garg @	NED	Nil	Nil	12	No
Mrs Pinky Verma^	NED	Nil	Nil	7	N.A.
Mrs Sangeeta Pandey^	NED	Nil	Nil	7	N.A.

excludes directorship in Private Limited Company, Foreign Companies and Section 8 Companies

@ Resigned on 14-11-2018

Resigned on 03-07-2018

^ Appointed on 14-11-2018

ED (P) – Executive Director (Promoter)

NED - Non-Executive Director

ED -Executive Director

NED (I) - Non-Executive Director (Independent)

iii) Eighteen Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held: 2nd April 2018, 30th April 2018, 16th May 2018, 30th May 2018, 16th June 2018, 14th July 2018, 14th August 2018, 1st September 2018, 29th September 2018, 14th October 2018, 13th November 2018, 14th November 2018, 5th December 2018, 20th December 2018, 14th January 2019, 14th February 2019, 11th March 2019, 31st March 2019.

- iii) During the year 2018-19, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
 - Examination of the financial statement and the auditors' report thereon;
 - The audit committee shall review the information required as per SEBI Listing Regulations.
- iv) The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.
- v) During the year, one meetings of the Independent Directors were held on March 31, 2019. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.
- vi) The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.
- vii) The details of the familiarisation programme of the Independent Directors are available on the website of the Company.

- iii. The audit committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.
- iv. The previous Annual General Meeting ("AGM") of the Company was held on September 29, 2018 and was attended by Mr. Shree Kumar Daga, who was Chairman of the audit committee in FY 2017-18.

The composition of the Audit Committee and the details of meetings attended by the Directors are given below

Committees of the Board

A. Audit committee

- i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.
- ii. The terms of reference of the audit committee are broadly as under:
 - Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
 - Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - Review and monitor the auditors' independence and performance, and effectiveness of audit process;

Sr. No.	Name	Category	No. of Meetings attended
1.	Mr. Shree Kumar Daga#	NED (I)	1
2.	Mr. Dwarka Das Lakhota@	NED (I)	2
3.	Mr. Prem Narain Varshney	ED	4
4.	Mr Abhishek Verma	NED (I)	2
5.	Mrs. Sangeeta Pandey^	NED (I)	2

@ Resigned on 14-11-2018

Resigned on 03-07-2018

^ Appointed on 14-11-2018

NED (I) - Non-Executive Director (Independent)

ED - Executive Director

The meetings of Audit Committee are also attended by Managing Director, CFO, Statutory Auditors as special invitees. .

During the year 2018-19, Four Audit Committee Meetings were held on 30th May 2018, 14th August , 2018, 14th November 2018, 14th February, 2019 The necessary quorum was present at the meetings.

Nomination and Remuneration Committee:

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

i) Terms of reference:

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

ii) Composition :

The Nomination and Remuneration Committee of the Company consists of Non-Executive and Independent Directors.

iii) No. of Meetings held during the year:

During the year the Committee had 4 meeting i.e. on 16th May 2018, 14th August 2018, 14th November 2018 and 14th February 2019

iv) Composition, name of Members and attendance during the year :

Name of the Director	Position	No. of Meetings held in tenure	No. of Meetings Attended
Mr. Shree Kumar Daga#	Chairman	1	1
Mr. Dwarka Das Lakhota@	Member	2	2
Ms Akanksha Garg@	Member	2	2
Mr. Prem Narain Varshney	Member	1	1
Mr. Abhishek Verma	Chairman	3	3
Mrs. Sangeeta Pandey^	Member	2	2

@ Resigned on 14-11-2018

Resigned on 09-07-2018

* Appointed on 14-11-2018

Company Secretary was the Compliance Officer during the year under review. He performed the functions of monitoring the complaints received vis-à-vis share transfer and other related processes and reported them to the Board.

He also carried out his responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchanges, Registrar of Companies, R.B.I. in respect of implementing laws, rules and regulations, and directives of such authorities concerning investor service and complaints.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act. The Committee performs following functions:

- Transfer/Transmission of shares
- Issue of Duplicate Share Certificates.
- Review of Share dematerialization and rematerialization.
- Monitoring the expeditious Redressal of Investor Grievances.
- Monitoring the performance of company's Registrar & Transfer Agent.
- All other matters related to the shares.

During 2018-19 the committee was chaired by Mr. Abhishek Verma. At present the committee comprises of two Non-Executive Directors and one Executive Director. Three Meetings were held on 30th May 2018, 14th August 2018, 14th November 2018, 14th February 2019 and 31st March 2019. .

Risk Management Committee

The risk management committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Committee comprises of Mr. Abhishek Verma who is the Chairman of the Committee and other members viz. Mr. Prem Narain Varshney, Managing Director and Mrs. Sangeeta Pandey, Director. The Company Secretary acts as the Secretary to the Committee.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

Disclosures

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

In accordance with requirement of Companies Act as well as listing agreement a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. A link to such policy is also provided in the website of the company.

Compliances, rules & regulations as laid down by various statutory authorities has always been observed by the company since such change over both in letter as well as in spirit.

The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

SHAREHOLDERS

i) Means of Communication

Full and complete disclosure of information regarding the Company's financial situation and performance is an important part of the Company's Corporate Governance ethics. The Company has demonstrated this commitment by sending its Shareholders a full version of its Annual Report.

The quarterly, half-yearly and annual results of the Company are published in newspapers in India which include "Pioneer" (English) and "Jansatta" (Hindi language) both Delhi editions. The results are also displayed on the Company's website.

Website: the company's website www.rathisteelandpower.com contains a separate dedicated section "Investor" where shareholders information is available. The annual report of the company is also available on the website in a user-friendly and download form.

ii) Compliance Officer

Company Secretary is the compliance officer for complying with requirement of the Securities Laws and the Listing Agreements with the Stock Exchange.

iii) Insider Trading

In compliance with the SEBI regulations on prevention of insider trading, the Company has a Code on Insider Trading for its Directors, Management and designated Executives. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing in securities of the Company. Ms Shobhita Singh (CS) is the Compliance Officer for complying with the said code.

iv) SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

v) General Body Meetings

Details of location, time and date of last three Annual General Meetings of the Company were held:-

Year	Venue of Meeting	Date & Time	Special Resolution Passed
2017-2018	The Little Theater Group, Copernicus Marg, New Delhi-110001	29 th September, 2018, 10.00 A.M	Yes
2016-2017	The Little Theater Group, Copernicus Marg, New Delhi-110001	26 th September, 2017, 10.00 A.M	Yes
2015-2016	The Little Theater Group, Copernicus Marg, New Delhi-110001	30 th September, 2016, 11.00 A.M	Yes

No Special Resolution was passed by the Company last year through Postal Ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing a Special Resolution through Postal Ballot.

10. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting:

Date : 30th October, 2019
Day : Wednesday
Time : 10.00 A.M.
Venue : The Little Theater Group,
Copernicus Marg,
New Delhi- 110001

ii) Financial Calendar (tentative):

Board Meeting to take on record	Schedule
Results for the	
* Quarter ending 30th June, 2019	On or before Aug 14, 2019
* Quarter ending 30th September, 2019	On or before Nov 14, 2019
* Quarter ending 31st December, 2019	On or before Feb 14, 2020
* Quarter ending 31st March, 2020	On or before May 30, 2020

iii) **Book Closure Date** : 24th October 2019 to 30th October 2019 (Both days inclusive)

iv) Listing on Stock Exchanges:

The Equity Shares of the Company are listed on the following Stock Exchange:-

Name & Address of the Stock Exchanges	Stock Code
Bombay Stock Exchange Ltd. Floor 25, P J Towers, Dalal Street, Mumbai - 400 001	504903

v) Stock Market Data:

The Equity Shares of the Company are traded at the Bombay Stock Exchange Limited (BSE) only. The performance of the Equity Shares of the Company in comparison to BSE Sensex is given hereunder:-

Month	Share Prices		Closing (Rs)
	High	Low	
April, 2018	2.44	1.52	1.52
May, 2018	2.10	1.38	2.00
June, 2018	2.00	2.00	2.00
July, 2018	2.00	2.00	2.00
August, 2018	2.00	2.00	2.00
September, 2018	2.00	2.00	2.00
October, 2018	2.00	2.00	2.00
November, 2018	2.00	2.00	2.00
December, 2018	2.10	2.10	2.10
January, 2019	2.10	2.10	2.10
February, 2019	2.10	2.10	2.10
March, 2019	2.10	2.10	2.10

Source: www.bseindia.com

vi) Registrar and Share Transfer Agents:

M/s. Mas Services Limited has been appointed as the Registrar and Share Transfer Agents for the equity shares of the Company in physical and electronic form. Shareholders/Investors can direct all correspondence with regard to share transfer, transmission and change of address etc. at their following address:-

M/s. Mas Services Limited (Unit Rathi Steel).
T-34, Second Floor,
Okhla Ind. Area, Phase-II,
New Delhi- 110020,
Ph: 011-26387281-82-83
Fax No. 011-26387384
Email: info@masserv.com

vii) Share Transfer System:

M/s. Mas Services Limited Committee of the Company. The meeting of Share Transfer Committee is held at least once in a fortnight. All the physical share certificates are sent to the transferees subsequent to transfer within the prescribed period.

viii) Status of Complaints/queries and their redressal as on March 31, 2019:-

During the year 2018-19, the Company had received one complaint and took immediate action in respect of complaint received by RTA and made nil complaints on score site. As on date, no complaints are pending other than those, which are under litigation, disputes or court orders.

ix) Pending Share Transfers:

No Share transfers were pending as on March 31, 2019.

x) Dematerialization of Shares :

The Company has entered into an agreement with NSDL and CDSL for dematerialization of shares. As on March 31, 2019, a total of 30746145 Equity Shares representing 98.21% of the total paid-up capital of the Company have been dematerialized. Members are advised to get their shares converted into demat mode.

The shares of the Company can be traded in demat mode only.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE336C01016**

Number of shares held in dematerialized and physical Mode as on 31st March,2019

Particulars	Total Shares	% of Equity
Shares in dematerialized form with NSDL	11827803	37.78%
Shares in dematerialized form with CDSL	18918342	60.43%
Physical	561966	1.79%
Total	31308111	100.00%

xi) Distribution of Shareholding:

The distribution of shareholding as on March 31, 2019 was as under:-

Range of Holding	Shareholders Number	%	No. of Shares	%
1 to 5000	10565	80.30%	1615814	5.20%
5001 to 10000	1294	9.80%	1059832	3.40%
10001 to 20000	625	4.80%	954741	3.00%
20001 to 30000	184	1.40%	472401	1.50%
30001 to 40000	103	0.80%	367734	1.20%
40001 to 50000	104	0.80%	492923	1.60%
50001 to 100000	140	1.10%	1039389	3.30%
100001 & above	140	1.10%	25305277	80.80%
TOTAL	13155	100.00%	31308111	100.00%

(114 Shareholders are common in Physical and Demat Form)

xii) Outstanding GDRs/ADRs /Warrants etc:

The Company has no outstanding GDRs/ADRs/ Warrants or any convertible instruments as on March 31, 2019.

xiii) Address for Correspondence:

Chauhan Market, Madanpur Khadar,
Near Local Shopping Complex,
Pocket- D & E, Sarita Vihar,
New Delhi-110076
Ph: 011- 45002400
Fax: 011-45002410
Web Site: www.rathisteelandpower.com
E-mail ID: investors@rathisteelandpower.com

OTHER DISCLOSURES

Related Party Transactions

All related party transactions that were entered into during the FY 2018-19 were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large.

The policy on related party transactions as approved by the Board is uploaded on the Company's website

Statutory Compliance

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authority on all matters related to capital markets during the last three years. Whistleblower Policy and Vigil Mechanism

Whistleblower Policy and Vigil Mechanism

The Company has adopted a Whistleblower policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Conduct or Ethics policy.

The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. No personnel of the Company has been denied access to the Audit Committee.

Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act / Companies Act, 1956, as applicable.

CEO / CFO Certification

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 17 (8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO / CFO certification for the Financial Year ended 31st March, 2019.

Mandatory Requirements

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

DECLARATION BY THE MANAGING DIRECTOR

I, Prem narain Varshney, Managing Director of Rathi Steel and Power Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26 (3) of the Listing Regulations for the year ended 31st March, 2019.

For Rathi Steel and Power Limited

Sd/-

Prem Narain Varshney
Managing Director
DIN: 00012709

New Delhi
30.09.2019

REPORT ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V(E) of SEBI (Listing and Obligation and Disclosure Requirements) Regulations, 2015

To

The Members of

RATHI STEEL AND POWER LIMITED

We have examined the compliance of conditions of Corporate Governance by RATHI STEEL AND POWER LIMITED ("the Company"), for the year ended on March 31, 2019, as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with schedule V of the same

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

In our opinion and according to the information and explanation given to us, the Company has complied with the conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For **H.G. & Company**
Chartered Accountants

Sd/-

Himanshu Garg
M. No.: 403482

Place: New Delhi
Dated 30.9.2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

RATHI STEEL AND POWER LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Rathi Steel And Power Limited** ('the Company'), which comprise the balance sheet as at 31st March 2019, the statement of profit and 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 misstatements.

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 read along with Notes to accounts 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 2019 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

1. We draw attention to note no. 16 to the financial statements regarding the presentation of the same on-going concern basis. The company has incurred a net loss of Rs. 83,32,33,635.00 during the year ended on March 31, 2019 and as on that date the company's current liabilities exceed its current assets by Rs. 205,78,63,288.00 and company's net worth has been fully eroded.

Post assignment of substantial Debts to ARCs Company is making all efforts to initiate an alternative resolution plans by restructuring the debts as well as to maximise the operating levels/minimize the costs.

Pending the resolution of the above measures these financial statements have been prepared on a going concern basis on the strength of continued support of the promoters, bankers / other lenders and signs of recovery in general economic scenario. Our opinion is not qualified in respect of this matter.

2. Lenders to the Company have since exited the approved CDR scheme in view of defaults being made by the Company in meeting its debt obligations as per restructuring scheme approved by CDR EG hence not considered any obligation as current liability. Interests on secured loans have been provided in the books of accounts to the extent provided by the lenders.

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 Act, we give in the Annexure 'A' statement on the matters specified in the paragraph 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. The matters mentioned in Emphasis of Matter above, in our opinion, may have an adverse effect on the functioning of the Company.
- f. On the basis of the written representations received from directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st, March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. 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
- h. 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 litigations on its financial position in its financial statements – Refer Note 2 to the Notes to Accounts attached to financial statements;
 - j. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any; and
 - k. There was no amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Act and rules made there under.

For H. G. & CO.
Chartered Accountants
Firm Registration Number: 013074C

Sd/-
Himanshu Garg
Proprietor
M. No.: 403482

Place : New Delhi
Dated : 30.09.2019

Annexure –A to the Independent Auditors’ Report the Annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31st March 2019, we report that: -

1. In respect of fixed assets:

- a. The company has been maintaining details showing full particulars, including quantitative details of fixed assets.
- b. We have been informed that physical verification of fixed assets has been conducted by the management at reasonable intervals and no material discrepancies were noticed by them.
- c. According to the information and explanations given to us, the title deeds of immovable properties, as disclosed in the Financial statements, are held in the name of the company

2. In respect of inventories:

According to the information and explanations given to us, the physical verification of inventory (excluding stocks lying with third parties) has been conducted by the management at reasonable intervals. The physical verification of finished goods and raw material has been done on estimation basis, from time to time, due to the nature of the business and the cost involved and discrepancies, if any, were properly dealt with in the accounts. In respect of goods inventory lying with third parties, these have substantially been confirmed by them.

3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3 (iii) (a), (b), and (c) of the order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has

not granted any loans, made any investment, given any guarantee or security, secured or unsecured, to any companies, firms or other parties as covered under section 185 and 186 of the Act over and above the limits prescribed under these sections.

5. The Company has not accepted any deposits from the public and therefore, the directives issued by Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under do not apply to the Company.
6. As informed to us, the Central Government has prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the Company. We have broadly reviewed accounts and records of the Company in this connection and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. (a) The Company has not been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material statutory dues with the appropriate authorities to the extent applicable and undisputed amounts of approx. Rs. 13.00 Crores is payable in respect of provident fund, income tax, sales tax, GST, service tax, Excise Duty, Entry Tax, value added tax, cess and other material statutory dues as at 31 March 2019 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, the particulars of dues of income tax, excise duty, service tax, value added tax which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (in lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Addition in Income	140.00	2009-10 & 2010-11	Income Tax- Appellate Tribunal –New Delhi
Central Excise Act, 1944	Excise Duty	317.15	2005-06 to 2007-08	High Court of Odisha
		91.21	2008-09 to 2012-13	Under Appeal with CESTAT
		52.03	2011-12 & 2012-13	Commissioner Appeals Bhubaneshwar
		13.63	2014-15 & 2015-16	Custom Excise and Service Tax Appellate Tribunal- Allahabad
		4.17	2014-15	Commissioner (Appeal) Ghaziabad
		77.21	2006-07	Supreme Court of India
239.61	2014-15	DGCEI New Delhi		
Finance Act, 1994 Service Tax Provisions	Service Tax	21.79	2012-13	Additional Commissioner. Sambalpur / Rourkela
Sales Tax Act of Various States	Sales Tax	13.70	2010-11 to 2013-14	Before Addl. Commissioner , Northern Zone, Sambalpur
		4554.28	1994-95 to 2013-14	Commercial Tax Tribunal, UP
		2294.99	1994-95 to 2014-15	Additional Commissioner Grade-2, Appeal-1, UP
		424.78	2011-12 & 2012-13	Jt. Commissioner, Appeal, Haryana
		810.42	2013-14	Jt. Commissioner, Appeal, Haryana
		438.15	2008-09 to 2010-11	High Court of Odisha
Odisha Entry Tax Act, 1999	Entry Tax	6.02	2005-06 to 2009-10	Commercial Tax Tribunal, Cuttack
		23.75	2008-09 to 2010-11	High Court of Odisha

8. The Company had been defaulting in repayment of dues to banks since 2014-15. The entire outstanding balance has been called by the banks.
9. According to the information and explanations given to us, during the year the Company has not raised any fresh share capital and term loans and hence clause 3 (ix) is not applicable.
10. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records, 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.
12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi company.
13. According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements as required under applicable Accounting Standard.
14. According to the information and explanations given to us and based on our examinations of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under report.
15. According to the information and explanations given to us and based on our examinations of the records, the Company has not entered into non-cash transaction with directors or person connected with them.
16. The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the provision of the Clause 3 (xvi) of the order is not applicable to the Company.

For H. G. & CO.
Chartered Accountants
Firm Registration Number: 013074C

Sd/-
Himanshu Garg
Proprietor
M. No.: 403482

Place : New Delhi
Dated : 30.09.2019

Annexure-B to the Independent Auditors' Report the Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that: -

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

We have audited the internal financial controls over financial reporting of Rathi Steel and Power Limited ("the Company") as of 31 March, 2019 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 controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 timely preparation of reliable financial information, as required under the Companies Act 2013 ("the Act")

Auditor's 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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act 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 ACAI. 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 controls 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 control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provided 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 controls 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 authorization 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 material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitation 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 controls over financial reporting may become inadequate because of the changes in the conditions, or that the degree of compliance with the policies if procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For H. G. & CO.
Chartered Accountants
Firm Registration Number: 013074C

Himanshu Garg
Proprietor
M. No.: 403482

Place: New Delhi
Dated : 30.09.2019

RATHI STEEL AND POWER LIMITED
CIN L27109DL1971PLC005905
BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in Rupees)

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
ASSETS			
(1) Non - Current Assets			
(a) Property, Plant and Equipment	2	2,273,630,668	2,322,470,072
(b) Capital work - in - progress		15,000	15,000
(c) Financial assets			
(i) Non Current Investments	3	1,570,997	1,570,997
(ii) Other financial assets	4	39,587,359	39,085,459
(d) Other non - current assets	5	38,645,239	595,851,405
Deferred Tax Assets		729,096,639	729,096,639
Total Non - Current Assets		3,082,545,902	3,688,089,572
(2) Current Assets			
(a) Inventories	6	126,842,842	131,333,571
(b) Financial assets			
(i) Trade receivables	7	164,423,354	317,363,699
(ii) Cash and cash equivalents	8	23,666,399	26,998,991
(iii) Other financial assets	9	87,872,887	81,709,734
(c) Other current assets	10	15,784,559	11,713,114
Total Current Assets		418,590,041	569,119,109
TOTAL ASSETS		3,501,135,943	4,257,208,681
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	765,048,590	765,048,590
(b) Other Equity	12	(4,449,140,586)	(3,615,906,951)
Total Equity		(3,684,091,996)	(2,850,858,361)
LIABILITIES			
(1) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	4,640,440,566	4,640,440,566
(b) Provisions	14	17,127,552	18,723,633
(c) Other Long Term Liabilities	15	51,206,492	50,037,247
(b) Other non current liability		-	-
Total Non - Current Liabilities		4,708,774,610	4,709,201,446
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,777,232,282	1,777,151,414
(ii) Trade payables	17	276,862,176	260,730,529
(b) Other current liabilities	18	419,002,554	357,627,336
(c) Provisions	19	3,356,317	3,356,317
Total Current Liabilities		2,476,453,329	2,398,865,596
TOTAL EQUITY AND LIABILITIES		3,501,135,943	4,257,208,681

The accompanying Notes are an integral part of the financial statements

Sd/-
Abhishek Verma
 Director

Sd/-
P.N.Varshney
 Managing Director

As per our Report of even date
For H. G. & CO.
 Chartered Accountants

Place : New Delhi
 Dated : 30.09.2019

Sd/-
Shobhita Singh
 Company Secretary

Sd/-
Shyam Bageshara
 CFO

Sd/-
HIMANSHU GARG
 M. No. 403482

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rupees)

Particulars	Note No.	As at 31 March 2019	As at 31 March 2018
Revenue from operations	20	3,502,721,838	3,500,135,109
Other income	21	197,508,721	88,367,841
Total Income		3,700,230,559	3,588,502,950
Expenses			
Cost of material consumed	22	3,181,993,412	2,434,239,844
Purchases of Stock-in-Trade			
Changes in inventories of Finished goods and Work - in -progress	23	(52,258,339)	537,309,460
Excise Duty on sale of goods			
Employee benefit expense	24	96,892,908	59,134,472
Finance Costs	25	1,199,825	142,504,602
Depreciation & amortization expense		84,004,522	187,772,982
Other Expenses	26	758,562,654	574,250,465
Total Expenses		4,070,394,982	3,935,211,825
Profit before exceptional items & tax		(370,164,423)	(346,708,876)
Add: Exceptional Items		463,069,212	815,108,829
Profit/(Loss) before tax		(833,233,635)	(1,161,817,704)
Less: Tax expenses			
(1) Current tax			
of Current year			
of Earlier years		-	20,000,000
(2) Deferred tax			
of Current year			
of Earlier years		-	-
Total Tax Expenses		-	20,000,000
Profit after tax	A	(833,233,635)	(1,181,817,704)
Other Comprehensive Income			
Other Comprehensive Income/ Expenses net of taxes expenses item that will not be reclassified to profit or loss		240,744	839,769
Total Other Comprehensive Income for the year	B	240,744	839,769
Total Comprehensive Income for the year	(A+B)	(832,992,891)	(1,180,977,935)

The accompanying Notes are an integral part of the financial statements

Sd/-
Abhishek Verma
DirectorSd/-
P.N.Varshney
Managing DirectorAs per our Report of even date
For H. G. & CO.
Chartered AccountantsPlace : New Delhi
Dated : 30.09.2019Sd/-
Shobhita Singh
Company SecretarySd/-
Shyam Bageshara
CFOSd/-
HIMANSHU GARG
M. No. 403482

RATHI STEEL AND POWER LIMITED
CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

2 PROPERTY, PLANT AND EQUIPMENT

(Amount in Rupees)

PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N			N E T B L O C K			
	As at 01.04.2018 (Rs.)	Addition during the year (Rs.)	Sales/ Adjustment (Rs.)	As at 31.03.2019 (Rs.)	Upto 31.03.2018 (Rs.)	Adjustment (Rs.)	For the Year (Rs.)	Total Upto 31.03.2019 (Rs.)	As at 31.03.2019 (Rs.)	As at 31.03.2018 (Rs.)
FIXED ASSETS										
Land Freehold	1889704	0	0	1889704	0	0	0	0	1889704	1889704
Land Leasehold	49525262	0	0	49525262	0	0	0	0	49525262	49525262
Boundary Wall	173896	0	0	173896	138468	0	0	138468	35428	35428
Building	582928342	0	0	582928342	169651812	0	1038273	170690085	412238257	413276530
Plant & Machinery	3916426298	35192984	0	3951619282	2060216118	0	82448836	2142664954	1808954328	1856210180
Furniture Fixtures	8213444	0	0	8213444	7848470	0	0	7848470	364974	364974
Office Equipment	5202554	92672	0	5295226	5041404	0	9134	5050538	244688	161150
Vehicles	25116822	49987	2496046	22670763	24693118	2242792	126411	22576737	94026	423704
Computers	11198995	82729	0	11281724	10615855	0	381868	10997723	284001	583140
TOTAL	4600675317	35418372	2496046	4633597643	2278205245	2242792	84004522	2359966975	2273630668	2322470072
Previous Year	4592319289	25903918	17547890	4600675317	2090596760	164497	187772982	2278205245	2322470072	
WIP	15000	0	0	15000	0	0	0	0	15000	15000

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

3 NON CURRENT INVESTMENTS

(Amount in Rupees)

Particulars	Face Value	As at March 31, 2019		As at March 31, 2018	
		No. of Shares	Value	No. of Shares	Value
Non Trade Investments					
Quoted					
<u>Equity Instruments (At FVOCI)</u>					
Bank of Baroda	2	635	29,210	635	29,210
State Bank of India	1	5,180	489,900	5,180	489,900
Focus Industrial Resources Ltd	10	2,400	20,086	2,400	20,086
BOB Pioneer PSU Mid Cap - Equity Plan	10	100,000	1,000,000	100,000	1,000,000
Total Value of Quoted Investments			1,539,196		1,539,196
Unquoted					
Moradabad Syntex Ltd	10	20000	1	20000	1
First Financial Services Ltd	10	1,000	10,000	1,000	10,000
Lynx Traders & Export Ltd	10	3,350	33,500	3,350	33,500
Total Value of Unquoted Investments			43,501		43,501
Less : Provision for diminution in Value			11,700		11,700
			1,570,997		1,570,997
Fair Market Value of Quoted Investments			1,779,940		2,378,965
Fair Value of Unquoted Investments (Net of Provision)			31,801		31,801
Total			1,811,741		2,410,766
Other Comprehensive Income not to be reclassified to P & L account			240,744		839,769

4 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit	39,587,359	39,085,459
	39,587,359	39,085,459

5 OTHER NON CURRENT ASSETS

Particulars		As at March 31, 2019	As at March 31, 2018
Trade Receivable and Advance recoverable in cash or kind or for value to be received			
a) Unsecured - Considered Good		13,509,489	570,707,655
b) Unsecured -Considered Doubtful	463069212	-	-
Less : Provision for Bad & Doubtful	463069212	-	-
c) Others		25,135,750	25,143,750
		38,645,239	595,851,405

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**6 INVENTORIES**

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Material	18,085,190	71,105,102
Work-in-progress	-	-
Finished Goods	90,329,719	38,071,379
Stores & Spares	17,561,343	20,569,082
Fuel & Oils	866,590	1,588,008
	126,842,842	131,333,571

7 TRADE RECEIVABLES

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured)		
Considered Good	23,434,503	314,470,908
Considered Doubtful	1,263,979	3,342,263
Less: Provision for doubtful Debts	(449,472)	(449,472)
Others	140,174,344	-
	164,423,354	317,363,699

8 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2019	As at March 31, 2018
Balance With Banks		
- On Current account	12,111,951	15,444,680
Cash on Hand	1,028,881	1,575,628
Deposits (Original maturity of less than 3 months.)	10,374,082	9,827,198
Interest accrued on Deposits	151,485	151,485
	23,666,399	26,998,991

9 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2019	As at March 31, 2018
Balance with Statutory/ Government Authorities	63,873,727	62,837,663
Trade advances	3,585,922	4,785,922
Less : Provision for doubtful	(337,500)	(337,500)
Advance recoverable in cash or kind or for value to be received	19,556,738	13,229,650
Security Deposits	1,194,000	1,194,000
	87,872,887	81,709,734

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**10 OTHER CURRENT ASSETS**

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	296,307	293,273
Advance Income Tax / Tax Deducted At Source	15,488,252	11,419,841
	15,784,559	11,713,114

11 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2019	As at March 31, 2018
Authorized Share Capital		
320,00,000 Equity shares, Rs. 10- par value (31 March 2019: 320,00,000 equity shares Rs. 10- each) (1 April 2018: 320,00,000 equity shares Rs. 10- each)	320,000,000	320,000,000
580,00,000 Redeemable Preferential shares, Rs. 10- par value (31 March 2019: 580,00,000 Redeemable Preferential Shares Rs. 10- each) (1 April 2018: 580,00,000 Redeemable Preferential Shares Rs. 10- each)	580,000,000	580,000,000
	900,000,000	900,000,000
Issued, Subscribed and Fully Paid Up Shares		
31308111 Equity shares, Rs. 10- par value fully paid up (31 March 2019: 31308111 equity shares Rs. 10- each) (1 April 2018: 31308111 equity shares Rs. 10- each)	313081110	313081110
45196748 Redeemable Preferential shares, Rs. 10- par value fully paid (31 March 2019: 45196748 Redeemable Preferential Shares Rs. 10- each) (1 April 2018: 45196748 Redeemable Preferential Shares Rs. 10- each)	451967480	451967480
	765,048,590	765,048,590

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

Note (a): The reconciliation of the number of equity shares outstanding at the beginning and at the end of reporting period 31-03-2019:

(Amount in Rupees)

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	31,308,111	313,081,110	31,308,111	313,081,110
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	31,308,111	313,081,110	31,308,111	313,081,110

Note (b): The reconciliation of the number of redeemable preference shares outstanding at the beginning and at the end of reporting period 31-03-2019:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	45,196,748	451,967,480	45,196,748	451,967,480
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	45,196,748	451,967,480	45,196,748	451,967,480

Note No: Terms/rights attached to equity shares

The Company has issued two class of shares referred to as equity shares and Redeemable Preference Shares. The Equity Shares are having a par value of Rs. 10 per share whereas par value for each Redeemable Preference Shares is Rs. 10/- . Every holder of Equity Share is entitled to one vote per share in respect of all matters submitted to vote in the shareholders meeting. Redeemable Preference Shares are entitled to one vote per share, in respect of every resolutions placed before the Company which directly affect the rights attached to the shares. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of preferential amounts, in proportion of their shareholdings. The Redeemable Preference Shares shall become due for redemption after 10 years from the date of issue at a 100 % premium of the issue price. Further Redeemable Preference shares are entitled to cumulative preference dividend of 1% per annum in relation to the paid up capital.

Note No: The details of shareholders holding more than 5% shares in the company:

Name of the shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares held	% held	No. of shares held	% held
(A) Equity Shares				
Archit Securities Private Limited	4,035,223	12.89%	4,035,223	12.89%
DBG Leasing & Housing Limited	3,832,472	12.24%	3,832,472	12.24%
Pradeep Kumar Rathi	7,504,988	23.97%	7,504,988	23.97%
(B) Redeemable Preferential Shares				
DBG Leasing And Housing Limited	10,346,528	22.89%	10,346,528	22.89%
Archit Securities Private Limited	23,116,220	51.15%	23,116,220	51.15%
Char Investment and Trading Limited	6,454,000	14.28%	6,454,000	14.28%
Lenzing Poly Packs Limited	2,440,000	5.40%	2,440,000	5.40%

RATHI STEEL AND POWER LIMITED
CIN L27109DL1971PLC005905
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

12 OTHER EQUITY

	As at 31st March, 2019		As at 31st March, 2018		AS AT 01.04.2017	
(i) Reserve & Surplus						
(a) Revaluation Reserve		1,90,25,530.00		1,90,25,530.00		1,90,25,530.00
(b) Capital Reserve		5,21,438.00		5,21,438.00		5,21,438.00
(c) Securities Premium Account						
As Per Last Balance Sheet	1,080,922,699		1,080,922,699		1,080,922,699	
Add: Received during the year	-		-		-	
Balance	1,080,922,699		1,080,922,699		1,080,922,699	
(d) General Reserve						
As Per Last Balance Sheet		174,934,316		174,934,316		174,934,316
(e) Retained Earning						
As Per Last Balance Sheet	-4,891,310,934				-3,076,365,790	
(Add)/ Less: Loss for the current year	-833,233,635		-3,709,493,230		-633,127,440	
Less: Tax on Proposed Preference dividend	-		-1,181,817,704		-	
Closing Balance		-5,724,544,569		-4,891,310,934		-3,709,493,230
		-4,449,140,586		-3,615,906,951		-2,434,089,246

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**13 BORROWINGS**

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
<u>Secured</u>		
From Bank		
Term Loans	2,161,358,606	2,161,358,606
Working Capital Term Loans	1,697,622,627	1,697,622,627
Funded Interest Term Loans	781,417,248	781,417,248
From Others		
Finance / Lease Obligations	42,085	42,085
	4,640,440,566	4,640,440,566

Notes

1. Term Loans, Working Capital Term Loans and Funded Interest Term Loans from Banks are secured by :
 - a First Pari- Passu charge on Fixed Assets of the company
 - b Second Pari-Passu charge on Current Assets of the company,
 - c Personal guarantee of Shri Pradeep Rathi and Shri Udit Rathi,
 - d Pledge of Promoter's Equity Shareholdings i.e 51.47%.
 - e First pari-passu mortgage and charge on the immovable properties of the Company situated at Ghaziabad, U P and Sambalpur, Odisha
 - f First pari-passu mortgage and charge on the immovable property in the name of Sh Pradeep Kumar Rathi situated at 112-A, Sector 21, Gurgaon, Haryana
 - g First Charge over Escrow/Trust and Retention Account
 - h Pledge of 2840000 Remeemable Preference Shares held by Sh Pradeep Kumar Rathi and Sh Udit Rathi
2. Vehicle/Equipment Loans are secured by the hypothecation of specific assets purchased under such arrangements.
3. The Company has defaulted in repayment of dues to financial institutions, banks or debenture holders during the year and since previous years.

14 PROVISIONS

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Employee Benefits		
-Gratuity	17,127,552	18,723,633
	17,127,552	18,723,633

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**15 OTHER LONG TERM LIABILITIES**

(Amount in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured Loans	21,125,000	21,125,000
Sundry Creditors for Capital Goods	9,643,989	8,474,744
Other Term Liabilities	19,280,018	19,280,018
Trade Deposits from Dealers	1,157,485	1,157,485
	51,206,492	50,037,247

16 BORROWINGS

Particulars	As at March 31, 2019	As at March 31, 2018
Secured From Bank		
Working Capital Facilities (Including L/c Bills Crystallised)	1,764,644,872	1,764,564,004
BG Invoked	12,587,410	12,587,410
	1,777,232,282	1,777,151,414

17 TRADE PAYABLES

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables	276,862,176	260,730,529
	276,862,176	260,730,529

18 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Dues Payable	141,517,792	189,738,069
Advances From Customers	27,446,528	19,651,799
Other Payable	250,038,234	148,237,468
	-	-
	419,002,554	357,627,336

19 PROVISIONS

Particulars	As at March 31, 2019	As at March 31, 2018
Provisions for Employee Benefits		
- For Bonus	2,863,959	2,863,959
- For Leave encashment	492,358	492,358
	-	-
	3,356,317	3,356,317

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**20 REVENUE FROM OPERATIONS**

(Amount in Rupees)

Particulars	2018-2019	2017-2018
Sale of Products	3,499,211,018	3,501,804,334
Others Operating Revenue	3,510,820	2,685,775
	3,502,721,838	3,504,490,109
Less : Excise Duty (Net)	-	(4,355,000)
	3,502,721,838	3,500,135,109

21 OTHER INCOME

Particulars	2018-2019	2017-2018
Interest Income	2,157,382	2,734,444
Net gain on sale of Fixed Assets	-	912
Dividend income from equity	-	21,510
Job Charges Received	192,456,964	46,310,200
Sundry Balance Written Back (Net)	2,888,785	39,160,973
Insurance Claims Received	-	-
Claims Received	5,590	139,802
	197,508,721	883,67,841

22 COST OF MATERIALS CONSUMED

Particulars	2018-2019	2017-2018
Inventory at the beginning of the year	71,105,102	154,279,166
Add: Purchases during the year	3,128,973,500	2,421,794,265
	3,200,078,602	2,576,073,431
Less: Inventories spoiled / damaged written off	-	70,728,485
Less: Inventory at the end of the year	18,085,190	71,105,102
	3,181,993,412	2,434,239,844

23 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(Amount in Rupees)

Particulars	2018-2019	2017-2018
<u>Inventories at the end of the year</u>		
Finished Goods	90,329,719	38,071,379
Work In Progress	-	-
	90,329,719	38,071,379
<u>Inventories at the beginning of the year</u>		
Finished Goods	38,071,380	589,117,892
Work In Progress	-	-
	38,071,380	589,117,892
Differential Excise duty on Increase/(decrease) in Stock	-	(12,782,409)
Increase/(decrease) in Stock spoiled /damaged stock written of	-	(954,643)
Increase/(decrease) in Stock	(52,258,339)	537,309,460

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

24 EMPLOYEE BENEFIT EXPENSES

Particulars	2018-2019	2017-2018
Salaries, Wages and Bonus	92,481,871	56,340,880
Contribution to Provident and other fund	3,051,498	2,393,243
Staff Welfare Expenses	1,359,539	400,349
	96,892,908	59,134,472

25 FINANCE COST

Particulars	2018-2019	2017-2018
Interest on Loans	-	142,221,387
Other Borrowing Costs		
Bank Charges & Processing fess	380,550	283,215
Interest to Others	819,275	-
	1,199,825	142,504,602

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2019**26 OTHER EXPENSES**

(Amount in Rupees)

Particulars	2018-2019	2017-2018
A. Manufacturing Expenses		
Consumption of Stores & Spares	248,900,591	175,872,510
Power & Fuel	458,509,175	353,261,140
Consultation Charges	-	41,000
Conversion Charges Paid	42,000	322,800
Repair & Maintenance		
Plant & Machinery	1,829,657	3,745,295
Building	-	-
Others	2,060,403	1,167,073
B. Selling Expenses		
Freight Outward	18,941,774	12,821,594
Advertisement and Sales & Promotion Expenses	36,810	120,184
Consignment Expenses	-	4,072,940
Testing Charges	376,447	750,971
C. Administrative Expenses		
Directors Salary	360,300	303,300
Guest House Maint. Expenses	7,388	9,778
Insurance Charges	2,689,611	2,875,341
Legal & Professional Charges	5,649,629	1,708,967
Miscellaneous Expenses	3,507,146	8,404,614
Vehicle Running & Maintenance	368,247	350,186
Postage, Telegram & Telephone	468,286	699,949
Printing & Stationery	535,734	265,395
Rates, Taxes & fee	209,159	348,398
Rent	1,318,600	1,607,150
Security Charges	3,777,244	2,182,873
Travelling & Conveyance Expenses	8,518,199	2,888,963
Auditors' Remuneration	400,000	400,000
Loss on Sale of Assets	56,254	30,044
	-	-
	758,562,654	574,250,465

RATHI STEEL AND POWER LIMITED

CIN L27109DL1971PLC005905

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2019

(Rs. in Lacs)

Particulars	Year Ended 31-03--2019	Year Ended 31-03--2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Taxation	(3,701.64)	(11,618.18)
Adjustments for :		
Depreciation	840.05	1,877.73
(Profit)/ Loss on Sale of Assets	-	0.29
Interest Paid	8.19	1,422.21
Claims Received	(0.06)	(1.40)
Misc. Balance written back	(28.89)	(391.61)
Dividend income	-	(0.22)
Interest income	(21.57)	(27.34)
Operating profit before working capital changes:	(2,903.92)	(8,738.52)
Adjustments for:		
Increase in Trade receivables	1,529.40	7,321.62
(Increase)/Decrease in inventories	44.91	6,558.56
(Increase)/Decrease in Loans & Advances and other assets	5,464.70	(5,049.73)
Increase in Current Liabilities and Other Long Term Liabilities	799.69	(107.78)
Extra Ordinary Items / Provision for Bad & Doubful Debts	(4,630.69)	
Cash Generated from Operation	304.09	(15.86)
Less: Income Tax paid (net)	-	200.00
Net cash from operating activities:	304.09	(215.86)
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(354.18)	(259.04)
Dividend income	-	0.22
Sales of Assets	2.51	1.44
Insurance Claim	-	172.10
Claims Received	0.06	1.40
Interest income	21.57	27.34
Net cash used in investing activities :	(330.04)	(56.55)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt of Long Term Borrowings	(0.00)	1,295.36
Payment of Long Term Borrowing	-	(0.11)
Increase/(Decrease) in Short Term Borrowing	0.81	240.88
Increase/(Decrease) in Unsecured loans	-	43.50
Interest Paid (including borrowing costs capitalised)	(8.19)	(1,422.21)
Net cash used in Financing activities :	(7.38)	157.42
Net increase/(Decrease) in cash and cash equivalents	(33.33)	(114.98)
Opening cash and cash equivalents	269.99	384.97
Closing cash and cash equivalents	236.66	269.99

Sd/-
Abhishek Verma
Director

Sd/-
P.N.Varshney
Managing Director

As per our Report of even date
For H. G. & CO.
Chartered Accountants

Place : New Delhi
Dated : 30.09.2019

Sd/-
Shobhita Singh
Company Secretary

Sd/-
Shyam Bageshara
CFO

Sd/-
HIMANSHU GARG
M. No. 403482

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

1. COMPANY INFORMATION

Rathi Steel And Power Limited(formerly Rathi Udyog Limited) (the Company) is a public limited company incorporated in 1971 and engaged in the business of Steel and Steel related products.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements:

The financial statements of the company have been prepared in accordance with the Indian Accounting standards (Ind AS) notified under the companies (Accounting Standards) Rules 2015 and Companies (Accounting Standards) Rules 2016, the provisions of Companies Act, 2013, and guidelines issued by the securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupees (INR) Amount.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Use of Estimates:

The preparation of the financial statements is in conformity with Ind AS requires Management to make estimates, judgments and assumptions. The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) Inventories:

Inventories are valued as per AS-2 (Valuation of Inventories) issued by the ICAI at cost (net of Taxes credit) or net realisable value, whichever is lower. Cost determined on weighted average basis and comprises of expenditure incurred in the normal course of business in bringing such inventories to their location and includes, where applicable appropriate overheads. Inventory of Coal have been segregated according to usability at the time of physical verification and are stated at Cost or market price whichever is less.

d) PROPERTY, PLANT AND EQUIPMENT

Tangible Fixed assets and depreciation accounting:

Tangible Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation / amortization /impairment. The cost of fixed assets includes freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowings cost directly attributable to fixed assets which necessarily take a substantial

period of time to get ready for their intended use are capitalized. Interest on loans and other financial charges in respect of qualifying assets and expenditure incurred on startup and commissioning of the project and or substantial expansion, including the expenditure incurred on Trial Runs up to the date of commencement of commercial production are capitalized.

Leasehold land has been revalued as on 31st March, 1992.

e) Depreciation

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 as per Straight Line Method (SLM). Depreciation on additions/deductions has been calculated on day-to-day basis. No depreciation has been provided on Orissa unit assets being non-operational.

f) Revenue Recognition

Sales comprises of sales of goods and services but net of sales returns and taxes.

Interest income is accounted for on accrual basis.

Dividend income is accounted for on receipt of payment.

Job Charges / Conversion charges received are recognised at net of taxes.

g) Investments

Trade Investments are the investments meant to enhance the company's interest. Investments are classified as current or non-current based on the management's intention at the time of investment. Long-term investments are stated at cost. Provision for diminution in the value of

long-term investment is made only if such a decline is permanent in nature.

h) Impairment of Assets

At each Balance Sheet date, the company reviews the carrying amounts of assets to determine whether there is any indication of impairment of assets. If any indication exists, the recoverable amount is estimated, at the higher of realizable value and value in use, as considered appropriate. If the estimated recoverable amount is less than the carrying amount, an impairment loss is recognized in the statement of Profit and Loss. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash –generating unit to which the assets belongs. As per assessment conducted by the company as at March 31, 2019, there were no indications that the fixed assets have suffered an impairment loss.

i) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged revenue.

j) Current Tax and Deferred Tax:

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

In accordance with the Accounting Standard 22 "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India, the deferred tax liability for timing differences between book profits and tax

profits is accounted for using the tax rates and tax laws that have been enacted or substantially enacted as of Balance Sheet date. Deferred Tax Assets are recognized with regard to all deductible timing difference to the extent that it is probable that taxable profit will be available against which deductible timing difference can be utilized. When the company carries forward accumulated losses and unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realized.

k) Trade Receivables

Trade receivables represents amount billed to customers as credit sales and are net off any amount billed but for which revenues are reversed under the different accounting standard and impairment for trade receivables which is estimated for amount not expected to be collected in full.

l) Retirement benefits

Actual liability for gratuity is provided in respect of eligible employees. Other employees' benefits are accounted for as per Company's policy.

m) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined best estimate required to settle the obligation at the Balance Sheet date.

These are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimates. Contingent Assets are not recognized in the financial statements.

- n) The amount of Stores consumed during the financial year includes the value of stores issued for repair and maintenance.

NOTES ON ACCOUNTS:

1. COMMITMENTS:

Estimated amount of Contracts remaining to be executed on capital account-Rs.NIL (Rs.NIL)

2. CONTINGENT LIABILITIES:

- A. No provision has been made for:
 - a. Outstanding effective Bank Guarantees and Counter Guarantees given by the Company Rs.40,17,112/- (Rs.50,17,112/-).
 - b. Outstanding Letter of Credit Rs. -NIL- (Rs.NIL)
 - c. VAT/Sales Tax liability for various years in respect of which either the Company or the department has filed appeals with higher authority amounting to Rs.85,66,08,755/-.The Company is Confident to get relief and chances of any liability is very remote.
 - d. Excise/Service tax cases pending with various statutory authorities being disputed principal amount Rs.8,33,00,961/-(Rs.18,96,71,534/-). The Company is Confident to get relief and chances of any liability is very remote.
 - e. Civil/Recovery suits and Labour cases pending against the Company not acknowledged as debt – Rs.12,95,72,393/- (Rs.13,39,66,682/-).

- f. The layoff at Orissa unit has been rejected by the competent Labour Authority and raised compensation of Rs.4.65Crores. The Company has contested the same in the Court.
- g. As per Gas Sales Agreement between GAIL and Company, total annual take or pay deficiency upto March 2019 works out to Rs.124.72Crores and GAIL has raised a demand of Rs.122.19 Crores which is being disputed by the Company.
- h. WESCO utility, Orissa has raised a demand of Rs.1.24 Crores towards electricity bills charges for the period up to October 2014 which has been disputed by the Company. Office of the Ombudsman-II, OERC vide its order dated 11.04.2016 has directed the WESCO to revise its demand which is still awaited.
- B. Surety given to sales tax dept. for others. The Company has not considered these as contingent liability as chances of out flow of resources are remote as Company has a right to claim the same from other party. However, surety given for Rathi Super Steel Ltd amounting to Rs.18.56 Crores and is of significance in term of recovery as this company is facing NCLT proceedings.
- C. Income Tax and Sales Tax Assessments:
- a. While completing the block assessment, assessing officer has made additions of Rs. 1,40,00,000/ in AY 2011-12 and accordingly reduced the carry forward losses to that extent. Though no demand has been raised on account of such adjustment, however the Company has disputed the order and filed Appeal before the appellate authority. The company is quite confident to get the additions dismissed.
- b. Additional liability, if any, in respect of pending assessments / appeals of Income Tax, would be provided for on completion of assessments / disposal of appeals.
- c. Additional demand, if any, in respect of pending assessment of Sales Tax/ VAT/Entry Tax would be known only on completion of the assessments.
- 3. SEGMENTAL REPORTING:**
- The business activity of the company falls within one broad segment viz Steel. Hence the disclosure requirement of Accounting Standard-17 of "Segment Reporting" issued by the Institute of Chartered Accounts of India is not given.
- 4. FOREIGN CURRENCY TRANSACTIONS:**
- Expenditure in Foreign Currency:
- a. Raw material purchase (CIF) Rs. NIL (Rs.11562973/-)
- b. Capital Goods (CIF) – Rs.4,53,99,416/- (Rs.1432113/-).
- c. Stores Purchased (CIF) – Rs.33,99,917/- (Rs.2,75,97,030/-)
- Earning in Foreign Currency (FOB):**
- Finished goods sale Rs. Nil (Rs. Nil).
- Details of consumption of imported and indigenous items** Rs. in lacs

Particulars	Imported				Indigenous			
	2018-19	%	2017-18	%	2018-19	%	2017-18	%
Materials	NIL	NIL	115.63	0.39%	31819.93	100 %	24226.77	99.61%
Stores and Spares	34.00	1.37%	275.97	14.96%	2455.01	98.63%	1482.76	85.04%

5. Payment to auditors:

- a. Audit Fee – Rs.4,00,000 (Rs.4,00,000).
 - b. Fee for Limited Review – Rs.1,00,000(Rs.1,00,000).
 - c. Out of Pocket Expenses-Rs.15,000 (Rs.15000).
6. Sundry debtors, advances, creditors & other liabilities include inter parties transfers and are subject to confirmation and consequent adjustments. In the opinion of the Board of Directors, the current assets and loans & advances except doubtful in nature would realize at least the amount at which these are stated in the Balance Sheet. For doubtful debts, the Board of Directors is very much hopeful for their recovery. Therefore, no provision has been made.
7. Due to financial stress Company could not pay the ROC fee for increase in authorized share capital during the financial year 2014-15, This has resulted in Company could not upload / file annual returns and balance sheet with Registrar of Companies for FY 2015-16 & 2016-17. However, Company has filed Annual Report with Registrar of Companies for these years.
8. Interest/Penalty, if any on delayed payments of statutory dues (Excise, GST, PF/ESI etc.) will be provided for as and when ascertained/determined by the concerned authority.
9. During the year Company has provided for provision for bad and doubtful debts amounting to Rs. 46,30,69,212/- as the chances of recovery is doubtful. Company has further stated that efforts are being made to recover the amounts but as a prudent accounting practice provision for doubtful debts has been made.
10. During the year in order to keep the Ghaziabad unit operational, Company has started doing job work for others.

11. During the year there was a theft at Orissa unit. Loss on such account on replacement cost basis though roughly estimated at Rs.10.00 Crores, will be provided for once exactly ascertained.
12. Lenders to the Company have since exited the approved CDR scheme in view of defaults being made by the Company in meeting its debt obligations as per restructuring scheme approved by CDR EG hence not considered any obligation as current liability.
13. NCLT petition filed by Bank of Baroda for initiation of CIRP process under section 7 of IBC Act,2016 has since been withdrawn by the ARC to whom the debt has been assigned.
14. Some of the lenders (BOB, Dena Bank, KVB) have since assigned the debts to ARCs and Company has approached the ARCs for restructuring of debts for long term revival of the Company in the interest of all its stakeholders.

15. Earnings Per Share (EPS):

Earnings per Share (EPS) – the numerators and denominators used to calculate earnings per share: -

Particulars	Year Ended on 31.03.2019	Year Ended on 31.03.2018
Profit/(Loss) attributable to the Equity Shareholders (Rs.)(A)	(83323635)	(1181817704)
Profit/(Loss) Cash attributable to the Equity Shareholders (Rs.) (B)	(749229113)	(994044722)
Weighted average number of Equity Shares Outstanding during the year (C)	31308111	31308111
Nominal Value of Share (Rs.)	10	10
Earnings Per Share (Rs.) (A)/(C)	(26.61)	(37.75)
Earnings Per Share (Cash) (Rs.) (B)/(C)	(23.93)	(31.75)

16. The company has incurred a net loss of Rs.83,32,33,635.00 during the year ended on March 31, 2019 and as on that date the company's current liabilities exceed its current assets by Rs.205,78,63,288.00 and company's

net worth has been fully eroded. Company is making all efforts to initiate an alternative resolution plans by restructuring the debts as well as to maximise the operating levels/ minimize the costs.

Pending the resolution of the above measures these financial statements have been prepared on a going concern basis on the strength of continued support of the promoters, bankers / other lenders and signs of recovery in general economic scenario.

17. Related Party Disclosure:

In accordance with Accounting Standard (AS-18) on related party disclosure, where control exists and where key management personnel are able to exercise significant influence and, where transactions have taken place during the year, along with description of relationship identified, are given below:

a) Individuals

1. NIL

b) Key Managerial Personnel

Shri P.N. Varshney

Smt. Shobhita Singh

Shri Shyam Bageshara

c) The following transactions were carried out with related parties in the ordinary course of business:

(Rs)

Particulars	Key Managerial Personnel	Individuals
Paid for rendering of services	1401816.00	NIL

18. Segmental Reporting:

The business activity of the company falls within one broad segment viz Steel. Hence the disclosure requirement of Accounting Standard-17 of "Segment Reporting" issued by the Institute of Chartered Accounts of India is not given.

19. Previous year figures have been regrouped or recast wherever necessary

As per our Report of even date
For H. G. & CO.
Chartered Accountants

HIMANSHU GARG
M. No. 403482

Abhishek Verma
Director

Shyam Bageshara
CFO

P.N.Varshney
Managing Director

Shobhita Singh
Company Secretary

Place : New Delhi
Dated : 30.09.2019

RATHI STEEL AND POWER LTD.

Regd. off: Chauhan Market, Madanpur Khadar, Near Local Shopping Complex,
Pocket- D & E, Sarita Vihar, New Delhi-110076
Ph: 011- 4500 2400 Fax: 011-4500 2410 **CIN L27109DL1971PLC005905**
Email ID: investors@rathisteelandpower.com; Website: www.rathisteelandpower.com

ATTENDANCE SLIP

I/We/We hereby record my presence at the 48th Annual General Meeting held on Wednesday, 30th October 2019 at 10:00 a.m. at The Little Theater Group, Copernicus Marg, New Delhi- 110001

Name of the Shareholders or Proxy (In Block Letters) _____

No. of Shares Held _____

Regd. Folio No. /DPID-CLID _____

Signature of the Shareholder/Proxy

Note:

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.

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RATHI STEEL AND POWER LTD.

Regd. off: Chauhan Market, Madanpur Khadar, Near Local Shopping Complex,
Pocket- D & E, Sarita Vihar, New Delhi-110076
Ph: 011- 4500 2400 Fax: 011-4500 2410 **CIN L27109DL1971PLC005905**
Email ID: investors@rathisteelandpower.com; Website: www.rathisteelandpower.com

PROXY FORM

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

Folio / DP-Client ID No.:

Name of the member(s) & Registered Address:

E-mail ID

I/We, being the Member(s) ofShares of Rathi Steel and Power Limited hereby appoint:

1. Name Address

E-mail Id: Signature..... or failing him;

2. Name Address

E-mail Id: Signature..... or failing him;

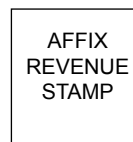
3. Name Address

E-mail Id: Signature..... or failing him;

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48th Annual General Meeting of the Company, to held on Wednesday 30th October 2019 at 10.00 a.m. at The Little Theater Group, Copernicus Marg, New Delhi- 110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No	Resolutions	For	Against
	ORDINARY BUSINESS		
1.	Consider and adopt audited financial statements of the Company for the financial year ended March 31, 2019, the Report of the Board of Director's and Auditor's thereon (Ordinary Resolution)		
2.	Ratification of appointment of Statutory Auditors and fixing their remuneration (Ordinary Resolution)		
	SPECIAL BUSINESS		
3	Approving the remuneration of the Cost Auditors for the financial year 2019-20 (Ordinary Resolution)		
4	Appointment of Mrs. Pinky Verma as Director (Ordinary Resolution)		
5	Appointment of Mrs. Sangeeta Pandey as Director (Ordinary Resolution)		

Signed this..... day of 2019



Signature of Shareholder.....

Signature of Proxy holder(s).....

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