



RATHI INDUSTRIES LTD.

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the shareholders of Rathi Industries Limited will be held on Friday, the 30th day of September, 2022 at 3.00 p.m. at its registered office situated at A-24/6, Mohan Co-operative Indl. Estate, Mathura Road, New Delhi-110044 to transact the following businesses:

(A) ORDINARY BUSINESS:

1. Adoption of Financial Statements:

To receive, consider and adopt the Standalone Audited Financial Statements of the Company as at 31st March, 2022 together with the Report of the Directors and Auditors thereon.

2. Appointment of Mr. Vikas Rathi as a Director liable to retire by rotation:

To appoint a director in place of Mr. Vikas Rathi (DIN: 01188409), who retires by rotation and being eligible, offers himself for re-appointment.

3. Approval for appointment of Statutory Auditors of the Company and to fix their remuneration.

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 “SEBI Listing Regulations” as amended from time to time including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force and pursuant to recommendation and approval of the Audit Committee and the Board of Directors of the Company, M/s Gupta Verma & Sethi, Chartered Accountants, (Firm Registration No. 002605N), Delhi, be and is hereby appointed as the Statutory Auditors of the Company to hold office for a term of 2 (Two) consecutive years from the conclusion of 30th Annual General Meeting (“AGM”) till the conclusion of the 32nd AGM to be held in the year 2024, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.”

(B) SPECIAL BUSINESS:

4. Appointment of Mr. Mukesh Bhardwaj (DIN: 01257936) as “Whole Time Director” of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended & approved by Nomination & Remuneration Committee and Board of Director of the Company, approval of the members be and is hereby accorded to the appointment of Mr. Mukesh Bhardwaj (DIN: 01257936) as Whole Time Director of the Company, for a period of 5 (Five) years with effect from 13.11.2021 on the following terms and conditions:

- 1) Salary: A salary of Rs. 35,000/- (Rupees Thirty Five Thousand only) per month w.e.f 13.11.2021, which may be reviewed by the Board.



RATHI INDUSTRIES LTD.

2) Perquisites:

- (i) Leaves as per the rules & policies of the Company. Leave accumulated but not availed off can be encashed as per the rules & policies of the Company.
- (ii) Contribution to Provident Fund as per the policy of the Company.
- (iii) Insurance Premium for Hospitalization Policy for him as per policies of the Company.
- (iv) Gratuity as per rules & policies of the Company.
- (v) The Whole Time Director shall be entitled to such increment from time to time as the Board may by its discretion determine.
- (vi) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.
- (vii) Bonus for the financial year, at the discretion of the Company, with shareholder approval.

3) Stock Options, if permitted in terms of applicable regulations.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to finalise other terms of re-appointment and scope of work as may be in overall interest of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and sign agreements, forms, declarations, returns, letters and papers as may be necessary, desirable or expedient to give effect to above Resolution”.

5. **Ratification of Remuneration of Cost Auditor:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and such other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Avnesh Jain & Co. Cost Accountants, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March 2023, be paid a remuneration of Rs. 35,000/- (Rupees Thirty Five Thousand only) including Taxes as applicable in addition to reimbursement of travelling and other out-of-pocket expenses actually incurred by the said auditors in connection with the audit, as recommended by the Audit Committee and approved by the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to above Resolution.”

By order of the Board of Directors
of **Rathi Industries Limited**

Date: 06.09.2022
Place: Chhapraula

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936



RATHI INDUSTRIES LTD.

NOTES:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote on a poll instead of himself/herself and the proxy need not be a member of the company.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Provided that a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The proxies in order to be effective must be received at the company's registered office at A-24/6, Mohan Co-operative Indl. Estate, Mathura Road, New Delhi-110044 not less than 48 hours before the time fixed for the meeting. The proxy form and admission slip are enclosed.
4. A proxy shall not have right to speak at AGM and shall not be entitled to vote except on poll.
5. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special businesses at items No. 4 & 5 is annexed.
6. The Register of Members of the Company will remain closed from 22.09.2022 to 30.09.2022 (both days inclusive) in terms of Section 91 of the Companies Act, 2013.
7. Equity Shares of the Company are under compulsory demat trading by all investors. Those shareholders who have not dematerialized their shareholding are advised to dematerialize the same to avoid any inconvenience in future.
8. All documents referred to in the accompanying notice are available for inspection by the members at the registered office of the Company during normal business hours 9.30 a.m. to 6.00 p.m. on all working days, except Saturdays till the date of AGM.
9. Members are requested to send their queries, if any, to reach the company's Registered office at least 10 days before the date of AGM, so that, information can be made available at the meeting.
10. Copies of Annual Report 2022 and the notice of 30th AGM are being sent by electronic mode to all members whose email addresses are registered with the company/RTA, unless a member has requested for a hard copy of the same.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of KYC Documents by every participant in securities market. Members are requested to submit their KYC details to the Registrars and Transfer Agents (RTA) M/s Skyline Financial Services Private Limited.
12. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 12 May 2020, Notice of 30th AGM along with the Annual Report for FY2022 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice and Annual Report for FY2022 will also be available on the Company's website at www.rathistelmax.com and website of the stock exchange i.e., Metropolitan Stock Exchange India Limited at www.msei.in.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the rules framed thereunder and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e- Voting services provided by Central Depository Services Limited /Skyline Financial Services Private Limited on all the resolutions set forth in the Notice.



RATHI INDUSTRIES LTD.

14. Shareholders having multiple folios are requested to write to the RTA for consolidation of the Folios to save the administrative or servicing cost.
15. In pursuant to Section 72 of the Companies Act, 2013, Shareholders holding shares in the company, singly or jointly, may nominate in the prescribed manner, a person to whom all the rights in the shares of the Company shall vest in the event of death of the sole/ all joint shareholders. Shareholders may send their nomination in the prescribed form, duly filled in, to the Company.

INSTRUCTIONS FOR E-VOTING

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 27.09.2022, 9.00 A.M. and ends on 29.09.2022, 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode** is given below:



RATHI INDUSTRIES LTD.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.



RATHI INDUSTRIES LTD.

	After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:



RATHI INDUSTRIES LTD.

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

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



RATHI INDUSTRIES LTD.

(xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rathiindustriesltd@rediffmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.



RATHI INDUSTRIES LTD.

Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO. 4

Based on the recommendation of Nomination & Remuneration Committee, Mr. Mukesh Bhardwaj was appointed as Whole Time Director of the Company by the Board of directors with effect from 13.11.2021 pursuant to the provisions of Section 196, 197, 198 read with Section 203 of the Companies Act, 2013 and Mr. Mukesh Bhardwaj shall hold office for a period of 5 years and shall be eligible for appointment subject to approval of the shareholders at this Annual General Meeting.

In light of above, you are requested to accord your approval to the Ordinary Resolution as set out at Agenda Item No. 4 of the accompanying Notice.

Except Mr. Mukesh Bhardwaj, None of Directors and Key Managerial Personnel of the Company and their relatives has any concern or interest, financial or otherwise in the proposed resolution.

ITEM NO. 5

The Board has, at the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Avnesh Jain & Co., Cost Accountants (Firm Registration No. 101048) to conduct the audit of the Cost records of the Company for the financial year ending 31st March, 2023. In terms of section 148 and other applicable provisions, if any of the Companies Act, 2013 and the rules made there under, the remuneration payable to Cost Auditors has to be approved/ratified by the shareholders of the Company.

In light of above, you are requested to accord your approval to the Ordinary Resolution as set out at Agenda Item No. 5 of the accompanying Notice.

None of Directors and Key Managerial Personnel of the Company and their relatives has any concern or interest, financial or otherwise in the proposed resolution.

By order of the Board of Directors
of **Rathi Industries Limited**

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936

Date: 06.09.2022
Place: Chhapraula



RATHI INDUSTRIES LTD.

Profile of Director seeking appointment at the Thirtieth Annual General Meeting as stipulated under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

Mr. Mukesh Bhardwaj (DIN: 01257936)

Brief Resume: Mr. Mukesh Bhardwaj has rich experience in the manufacturing of iron & steel industry, keeping in view his experience, work hardship and advance performance for the company, the board considers it is desirable and beneficial for the company to avail his services as director of the Company. In the opinion of the Board, he fulfills the criteria of being a director as specified under the provisions of the Companies Act, 2013 and he possesses appropriate balance of skills, experience and knowledge as required.

The details of Mr. Mukesh Bhardwaj are given below:

S.N.	Particulars	Details of Director
1	Name of Director	Mr. Mukesh Bhardwaj (DIN: 01257936)
2	Age	61 years
3	Qualifications	Graduation
4	Experience	25 years in Various fields including Manufacturing of iron & steel industry.
5	Details of Remuneration	The details have been provided in Corporate Governance Report
6	Date of first appointment to the Board	13.11.2021
7	Shareholding in the company	Nil
8	Relation with other Directors/KMPs	None
9	No. of Meeting attended during the year	The details have been provided in Corporate Governance Report
10	In case of Independent Directors, Justification for choosing the appointee	N.A.
11	Directorship, Membership/Chairmanship of Committees	
	No. of Companies in which Director	Name of Committees in which Member/Chairman
	1. Chamandaya Investments Limited 2. Glace Trading & Investments Private Limited 3. Ghaziabad Marbles and Machinery Manufactures Private Limited	Nil

DIRECTOR'S REPORT

Dear Members,
Rathi Industries Limited

Your Company's Directors are pleased to present before you the 30th Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2022.

1. FINANCIAL RESULTS:

Particulars	(Rs. in Lacs)	
	2021-22	2020-21
Sales	65445.08	45580.55
Profit/(Loss) before Depreciation	992.18	1156.88
Less: Depreciation	513.71	733.68
Operative Profit/(Loss) before exceptional items	478.47	423.20
Less: Exceptional Items	-	43.02
Profit/(Loss) before tax	478.47	380.18
Less: Provision for Income Tax/MAT	79.87	63.46
Deferred Tax	43.69	53.73
Net Profit/(Loss) after Tax	354.91	262.99
Other Comprehensive Income	0.00	0.00
Total comprehensive income for the year	354.91	262.99

2. FINANCIAL REVIEW & OUTLOOK

During the year the Company has achieved sales turnover of Rs. 65,445.08 Lacs. There is an increase of 43.58% in Sales Turnover as compared to previous year's sales turnover of Rs. 45580.55 Lacs. Your Company has also registered the profit before tax of Rs. 478.47 Lacs as compared to previous year profit before tax of Rs. 380.18 Lacs. Outlook of the business has been discussed in detail in the "Management Discussion and Analysis" which forms a part of this Annual Report.

3. DIVIDEND

In order to preserve the resources, your Directors do not recommend any dividend for the current financial year.

4. TRANSFER OF PROFITS TO RESERVES

Your Directors have decided not to transfer any amount to General Reserves and to carry forward the entire surplus under the Statement of Profit & Loss.

5. HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION

Your company has complied with all the applicable environmental and labour laws. The company has been taking all necessary measures to protect the environment and maximize health protection and safety of workers.

6. ISO CERTIFICATION

Your Company is an **ISO 9001:2000 & 14001** certified Company, which is internationally recognized for the production, control and other qualities.



7. SHARE CAPITAL

The Company has not issued any equity shares, sweat equity shares or employee stock option during the year.

8. NUMBER OF MEETINGS OF THE BOARD

During the year under review, The Board duly met 8 times in financial year 2021-22. The intervening gap between two consecutive Board Meetings was within the period prescribed under the Companies Act, 2013.

9. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year your Company has not changed the nature of its business.

10. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT

There is no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of your company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Clearly defined roles & responsibilities have been instituted.

12. MATERIAL ORDERS BY GOVERNING AUTHORITIES

There were no significant or material orders passed by any governing authority of the Company including regulators, courts or tribunals which could impact the going concern status and Company's operations in future.

13. STATUTORY AUDITORS

The members are informed that pursuant to the provisions of Section 139 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Gupta Verma & Sethi, Chartered Accountants (FRN: 002605N) was appointed as Statutory Auditor for the term of five years i.e. from the conclusion of 25th Annual General Meeting till conclusion of 30th Annual General Meeting whose tenure is going to expire at 30th Annual General Meeting.

In view of above, it is proposed to re-appoint M/s. Gupta Verma & Sethi, Chartered Accountants as the Statutory Auditor of the Company from the conclusion of 30th Annual General Meeting till the conclusion of 32nd Annual General Meeting.

M/s. Gupta Verma & Sethi, Chartered Accountants has expressed its willingness to act as Statutory Auditor of the Company and has provided the requisite documents as required under the Act.



RATHI INDUSTRIES LTD.

14. COST RECORDS & AUDITORS

In pursuance of Section 148 of the Companies Act, 2013, the Board of Directors of the company has on the recommendation of the Audit Committee, approved the appointment of M/s. Avnesh Jain & Co., Jaipur having Firm Registration No.101048 as the Cost Auditors of the Company to conduct Cost Audit pertaining to relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time for the year ending 31st March, 2023.

M/s. Avnesh Jain & Co. has vast experience in the field of Cost audit and has conducted the audit of Cost record of the Company for the past several years.

15. SECRETARIAL AUDITORS

In pursuance of Section 204(1) of the Companies Act 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors has appointed M/s. Ganesh Sharma & Associates, Company Secretaries (Membership No. 43348, COP. No. 16085) as Secretarial Auditor to conduct Secretarial Audit of the Company for financial year 2021-22 and their report is annexed to this Board Report.

16. EXPLANATION OR COMMENTS BY THE BOARD ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE

(A) BY STATUTORY AUDITOR

The members are informed that there were no qualifications, reservation or adverse remark or disclaimer made by Statutory Auditor in the Audit Report. Hence no explanation/comments are required to be given by the Board.

(B) BY COST AUDITOR

The members are informed that there were no qualifications, reservation or adverse remark or disclaimer made by Cost Auditor in the Audit Report. Hence no explanation/comments are required to be given by the Board.

(C) BY THE SECRETARIAL AUDITOR IN THEIR SECRETARIAL AUDIT REPORT

The members are informed that Secretarial Auditor in the Secretarial Audit Report gave observation regarding non-compliance of the Provisions of SEBI (LODR) Regulations 2015. As we all are aware that in Q1 2020-21 pandemic Covid-19 has stopped the global lifecycle. Due to which the management was not able to comply with some of compliances under SEBI (LODR) Regulations 2015 within timeline but later on complied with same and the penalty levied by Stock Exchange has been waived off due to unavoidable circumstances of non-compliances.

17. MANAGERIAL REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there has been no employee employed by the company either for whole or part of the year drawing remuneration in excess Rs. 8,50,000/- per month or Rs. 1,02,00,000/- in a year. Other information's are as under: -

(A) Ratio of Remuneration of each Director to median remuneration of Employees

- (i) Ratio of remuneration of Mr. Sangram Singh/Mr. Mukesh Bhardwaj to median remuneration of employees during the year was 3.09:1



RATHI INDUSTRIES LTD.

(ii) Ratio of remuneration of Mr. Vinay Rathi to median remuneration of employees during the year was 24.75:1

(iii) Ratio of remuneration of Mr. Vikas Rathi to median remuneration of employees during the year was 24.75:1

(B) Percentage increase in the remuneration of employees

There was no increase in the median remuneration of employees in the financial year 2021-22.

(C) Ratio of remuneration of highest paid employee if it exceeds remuneration of highest paid Director

There was no employee of the company who had been paid remuneration more than the highest remuneration paid to the directors of the company.

(D) Policy Compliance affirmation

The remuneration to Directors and KMP is as per the nomination and remuneration policy of the company.

18. DIRECTORS

(A) Directors retiring by rotation

Mr. Vikas Rathi, (DIN: 01188409) Executive director, who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment to the office of Directors on the Board of your company.

(B) Appointment & Cessation of Director & KMPs

Mr. Sangram Singh (DIN: 01188132) has ceased to be a Whole Time Director of the Company w.e.f. 13.11.2021 due to his resignation.

Mr. Mukesh Bhardwaj (DIN: 01257936) was appointed as Whole Time Director of the Company w.e.f. 13.11.2021 for a period of 5 years.

Mr. Parveen Sharma has resigned from the position of company secretary & compliance officer of the Company w.e.f. 04.01.2022.

Mr. Ankush Vig was appointed as company secretary & compliance officer of the Company w.e.f. 30.05.2022.

(C) Statement on declaration given by Independent Directors

The members are informed that the Independent Directors Mr. Abhishek Bhattar, Mr. Ghanshyam Tiwari, & Ms. Mona Gupta have given a declaration that they meet the criteria of independence as provided in sub-section 6 of the Section 149 of the Companies Act, 2013.

The Board of the company also confirms that the above Independent Directors fulfill the criteria of being Independent Director as specified under the provisions of the Companies Act, 2013.

(D) Formal Annual Evaluation

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, ("the Listing Regulations") the Board of Directors has carried out an annual evaluation of its own performance and that of its committees and individual Directors.



19. DISCLOSURE REGARDING SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture or associate company. During the year also there were no companies which have become or ceased to be your Company's subsidiary, joint venture or associate company.

20. CORPORATE GOVERNANCE

Your Directors reaffirm their commitment to good corporate governance practices. During the year under review, your Company was in compliance with the provisions relating to corporate governance as provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations). The Compliance Report is provided in the Corporate Governance section of this Annual Report. The Certificate on compliance with the conditions of Corporate Governance of the Listing Regulations is also included in the Annual Report.

21. DEPOSITS

During the year the company has not accepted any deposit from the members or the general public under the Companies Act, 2013.

22. ANNUAL RETURN

Pursuant to Section 92(3) of the Act, the Annual Return as on March 31, 2022 is available on Companies website on <https://www.rathistelmax.com/documents/investors/annual-return-21-22.pdf>

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year the company had not entered into any transaction of loan, investment and Guarantee under Section 186 of the Companies Act, 2013.

24. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the directors confirm that in preparation of Annual Accounts:

- (a) the applicable Indian accounting standards have been followed along with proper explanation relating to material departures,
- (b) appropriate accounting policies have been selected and applied consistently, judgments and estimates made 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 and loss of the Company for that period,
- (c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- (d) the annual accounts have been prepared on a going concern basis,
- (e) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively, and
- (f) proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.



RATHI INDUSTRIES LTD.

25. MANAGEMENT DISCUSSION AND ANALYSIS

As per the provisions of Regulation 34 of the LODR a detailed review by the Management of the business operations of the Company is presented under separate section “Management Discussion and Analysis” which forms a part of this Annual Report. The MD&A Report captures your Company’s performance, industry trends and other material changes with respect to your Company.

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

(A) Conservation of energy

The company has a dedicated technical team to make continued efforts for conservation of energy. Your Company is continuously looking for new ways of conservation of energy and wastes minimization for the protection of environment. The eco-friendly initiatives adopted by your company are:

- (i) Implementing energy conservation schemes.
- (ii) Awareness programmes for employees at all levels and for community
- (iii) Tree Plantation Campaigns.
- (iv) Promoting the use of alternative fuels and materials.

Total energy consumption in respect of production given below:

S. No.	Particulars	Financial Year (2021-22)	Financial Year (2020-21)
1	Electricity (Purchased) Unit Total Amount Rate/Unit	1,51,30,350 Units Rs. 127,249,976/- Rs. 8.41/Unit	1,60,82,000 Units Rs. 132,435,678/- Rs. 8.24/Unit
2	Furnace Oil Qty. Total Amount Rate/Unit	443770 Kgs Rs. 20,716,668/- Rs. 46.68/- Kg.	622945 Kgs Rs. 20,511,120/- Rs. 32.93/- Kg.
3	Coal Unit Total Amount Rate/Unit	9221.45 MT Rs. 100,891,283/- Rs. 10,941/- per MT	4899.33 MT Rs. 49,920,106/- Rs. 7246/- per MT

(B) Technology absorption

The company is putting continuous efforts in acquisition, development and utilization of technological knowledge through its wide advance engineering project portfolio. The projects in the advance engineering portfolio are focused around the technologies and innovations which the company might need in the years to come and the current thrust areas. The company took initiatives by various interventions to improve upon the performance, refinement, meeting and exceeding the current prevalent norms of emission, fuel economy and reduction in cost of the product. The Company is also pursuing various initiatives to enable the existing and further improvement in efficiencies in manufacturing and growth of business.



RATHI INDUSTRIES LTD.

(C) Foreign exchange earnings and outgo

The company has neither earned nor any outgo of foreign exchange during the year.

27. CORPORATE SOCIAL RESPONSIBILITY (CSR) OF THE COMPANY

Pursuant to the provision of Section 135 of the Companies Act, 2013, your company has constituted CSR Committee for the purpose of undertaken CSR Activities. Annual Report on CSR has been annexed to Director's Report.

28. STATEMENT ON RISK MANAGEMENT POLICY

The Board of Directors has developed and implemented a risk management policy for the company. A risk management committee has also been formed for identification and assessment of risks and minimization of risks by adopting various measures. The Company has taken proper initiatives to mitigate risks.

29. RELATED PARTY TRANSACTIONS OR ARRANGEMENTS

All related party transactions that were entered into during the financial year were in the ordinary course of business. There were no materially significant related party transactions which were transacted by the Company with any of the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of your Company.

30. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The board of directors of your company has also laid down a policy on prevention of sexual harassment at workplace. The company is committed to providing equal opportunities without regard to their caste, sex, religion, color, disability etc; during the year the company did not receive any complaint under the said policy.

31. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Board has established a comprehensive process to evaluate the performance of the Board, its committees and of individual directors. The performance evaluation matrix defining the criteria of evaluation for each of the above has been put in place. The performance evaluation of the Independent Directors was carried out by the other members of the Board (excluding the Director being evaluated).

32. ACKNOWLEDGEMENTS

Your Board places on record sincere gratitude and appreciation for all the employees who had, mostly through remote working, during the pandemic time delivered as per organisational requirements. The Board conveys its appreciation for its customers, vendors, investors, bankers, end users, dealers, distributors, business partners and other business constituents during the year under review. We also thank the support received from various government and regulatory authorities.

By order of the Board of Directors
of **Rathi Industries Limited**

Date: 06.09.2022
Place: Chhapraula

Vinay Rathi
(Director & CFO)
DIN: 00137502

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936



RATHI INDUSTRIES LTD.

Annexure to Director's Report

Form No. MR- 3

Secretarial Audit Report

For the financial year ended 31st March, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Rathi Industries Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rathi Industries Limited** (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me & maintained by the company for the financial year ended on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable as Company neither have any FDI, ECB nor made any ODI during the Audit Period)
- (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 (Listing Obligations & Disclosure Requirements) Regulations, 2015.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. (Not applicable as the Company did not issue any security during the financial year under review).
 - (e) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the Client;
 - (f) The other regulations of Securities and Exchange Board of India as may be applicable to the company.
- (vi) Other laws applicable specifically to the company as per the representation made by the company namely.
 - (a) Factories Act, 1948 and allied State Laws.



RATHI INDUSTRIES LTD.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreement entered into by the company with Metropolitan Stock Exchange of India Limited (MSEI) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

1. The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
3. Majority decision is carried through while the dissenting members' view are captured and recorded as part of the minutes.

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

I further report that during the audit period the company has no instances of:

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

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

1. With respect to the non-compliance u/r 23(9), 29(2)/29(3) and 33 of Listing Regulations, 2015 fine of Re. 371,700/-, 11,800/- and 153,400/- levied by the MSE Ltd (Exchange) respectively. The company's request to waive off the aforesaid fines has been approved by Exchange. As on date there is no outstanding amount fine to be paid by the Company.

For Ganesh Sharma & Associates
(Company Secretaries)

Ganesh Dutt Sharma
(Practicing Company Secretary)
M. No. 43348

Date: September 03, 2022
Place: New Delhi

C. P. No. 16085
UDIN: A043348D000907629
Peer Review Certificate No. 2047/2022

Note: (This Report is to be read with my letter of even date which is annexed as "Annexure A" and forms an integral part of this report.)



RATHI INDUSTRIES LTD.

‘Annexure A’

To,
The Members,
Rathi Industries Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report 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 Ganesh Sharma & Associates
(Company Secretaries)

Ganesh Dutt Sharma
(Practicing Company Secretary)
M. No. 43348
C. P. No. 16085
UDIN: A043348D000907629
Peer Review Certificate No. 2047/2022

Date: September 03, 2022
Place: New Delhi



RATHI INDUSTRIES LTD.

Secretarial Compliance Report of Rathi Industries Limited For the year ended 31st March, 2022

{Under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015}

I, have examined:

- (a) all the documents and records made available to me and explanation provided by **Rathi Industries Limited** ("the listed entity")
- (b) the filings/ submissions made by the listed entity to the stock exchange
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2022 ("Review Period") in respect of compliance with the provisions of:

- A. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, guidelines issued thereunder; and
- B. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- A. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- B. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable)
- C. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- D. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable)
- E. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable)
- F. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable)
- G. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not Applicable)
- H. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 {To the extent applicable};

and based on the above examination, I hereby report that, during the Review Period:

- a. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- b. The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.



RATHI INDUSTRIES LTD.

- c. The following are the details of actions taken against the listed entity/its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of actions taken e.g. fines, warning letter, debarment etc.	Observation/Remarks of the Practicing Company Secretary, if any.
1	Metropolitan Stock Exchange of India Limited (Exchange)	Non Compliance of Reg. 23(9) of SEBI (LODR) Regulations, 2015	A fine of Rs. 3,71,700/- was levied by the Exchange & demat accounts of promoters were also freeze due to non-payment of fine	The fine levied by exchange has been waived off on representation made by company and promoter's accounts were un-freeze.

- d. The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance Report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	A fine of Rs. 3,71,700/- was levied by the Exchange & demat accounts of promoters were also freeze due to non-payment of fine	2021	The waiver request & representation letters submitted by Company before the exchange to waive off the fine.	The fine levied by exchange has been waived off on the representation made by company and promoter's accounts were un-freeze.

Note: The Company Secretary cum Compliance Officer of the Company has resigned w.e.f. January 4, 2022. Audit Period ended on March 31, 2022 the Company has not appointed Company Secretary cum Compliance Officer. As per management, the Company is searching a suitable person for the appointment of Company Secretary cum Compliance officer.

For **Ganesh Sharma & Associates**
Company Secretary

CS Ganesh Dutt Sharma
(Proprietor)
M. No. A43348
C.P. No. 16085

Date: 27.05.2022
Place: New Delhi

UDIN: A043348D000410517
Peer Review Certificate No. 2047/2022



RATHI INDUSTRIES LTD.

Annual Report on CSR Activities of the Company

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. Brief outline on CSR Policy of the Company

The Company's CSR Policy has been framed within the objectives prescribed under Schedule VII of the Companies Act, 2013 as per the following Vision and Objective:

1. Vision:

Through Rathi Industries Limited ("the Company") long standing commitment to service to the society, we strive to attain leadership in our business through a socially and environmentally responsible way, while taking care of the interests of our stakeholders, through partnering with various Govt. authorities or otherwise, directly or indirectly through any approved trust/ NGO, in India.

2. Objective:

CSR Policy of the Company intends to:

- Strive for economic development that positively impacts the society at large with minimal resource footprint.
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, stakeholders and the society.
- Focus Area of Company's CSR Activities are- (a) Hunger, Poverty, Malnutrition and Health, (b) Education, (c) Rural Development Projects, (d) Gender Equality and Empowerment of Women, (e) Environmental Sustainability, (f) National Heritage, Art and Culture and (g) other allied activities.

CSR activities proposed to be undertaken by the Company shall be in pursuance to Section 135 read with Schedule VII, as amended from time to time, of the Companies Act, 2013.

2. Composition of CSR Committee:

S. No.	Name of Director	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ghanshyam Tiwari	Chairperson	3	3
2.	Mr. Vinay Rathi	Member	3	3
3.	Ms. Mona Gupta	Member	3	0

3. Web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

The details related to CSR Committee, Policy and the approved Projects are available on the Company's website at the weblink: <https://www.rathistelmax.com/shareholdersdesk/policies>. The current composition of CSR Committee is available at <https://www.rathistelmax.com/shareholdersdesk/policies>.



RATHI INDUSTRIES LTD.

4. Details of Impact assessment of CSR projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

In pursuance to Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, Impact assessment is not applicable to the Company since the average CSR obligation in pursuance of Sub-Section (5) of Section 135 of the Act, for immediately previous 3 years is less than 10 Crore rupees.

5. Details of the amount available for set off in pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any.

No amount was available for set off in pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 during the period under review.

6. Average Net Profit of the Company as per Section 135(5). ₹ 3.88 Crores

7. (a). Two percent of average Net Profit of the Company as per Section 135(5) ₹ 7.90 Lacs

(b). Surplus arising out of the CSR Projects or Programs or activities of the previous Financial Years. NIL

(c). Amount required to be set off for the Financial Year, if any NIL

(d). Total CSR obligation for the Financial Year (7a+7b-7c). ₹ 7.90 Lacs

8.(a). CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹):	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
18,97,740	N.A.	N.A.	N.A.	N.A.	N.A.



RATHI INDUSTRIES LTD.

(b). Details of CSR amount spent/allocated against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)	(6)			(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State & District					Name	CSR Registration Number
1.	Promotion of Education/ Health/Hunger/Malnutrition	(ii)	Yes	Delhi-NCR & UP	16,00,000	725,095	874,905	Yes		

(c). Details of CSR amount spent against other than ongoing projects for the Financial Year.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.	Amount spent for the project (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State & District			Name	CSR Registration Number
1.	Promotion of Education/Health/Malnutrition/Hunger	(ii)	Yes	Delhi-NCR & UP	18,97,740	Yes	-	-
Total					18,97,740			

(d). Amount spent in Administrative Overheads. NIL

(e). Amount spent on Impact Assessment, if applicable. As per Point 4 of this Report, Impact Assessment is not applicable. Hence, no amount was spent under this head.

(f). Total amount spent for the Financial Year (8b+8c+8d+8e). ₹ 26,22,835



RATHI INDUSTRIES LTD.

(g). Excess amount for set off, if any

S. No.	Particulars	Amount (in ₹ Lacs)
(i).	Two percent of average Net Profit of the Company as per Section 135(5)	790,000/-
(ii).	Total amount spent for the Financial Year	18,97,740/-
(iii).	Excess amount spent for the Financial Year [(ii)-(i)]	11,07,740/-
(iv).	Surplus arising out of the CSR Projects or Programs or Activities of the previous Financial Years, if any	NIL
(v).	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	11,07,740/-

9. (a). Details of Unspent CSR amount for the preceding three Financial Years 16.00 lacs

(b). Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s) 7.25 lacs

10. In case of creation or acquisition of Capital Asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details).

a) Date of creation or acquisition of the Capital Asset(s).	No Capital Asset during the period under review was created or acquired by the Company.
b) Amount of CSR spent for creation or acquisition of Capital Asset.	No amount was spent for creation or acquisition of Capital Asset by the Company.
c) Details of the Entity or Public Authority or Beneficiary under whose name such Capital Asset is registered, their address etc.	Not Applicable
d) Provide details of the Capital Asset(s) created or acquired (including complete address and location of the Capital Asset).	Not Applicable



RATHI INDUSTRIES LTD.

11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5).

Not applicable

Date: 06.09.2022
Place: Chhapraula

Ghanshyam Tiwari
(Chairman- CSR Committee)
DIN: 02466896

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936



RATHI INDUSTRIES LTD.

Management Discussion and Analysis Report

Overview

The objective of this report is to convey the Management's perspective on the environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities, and internal control systems and their adequacy in the Company during the Financial Year 2021-22. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report.

The year 2022 was a mixed bag for the economy. Mass vaccination drives, easing of restrictions, revival of demand and fiscal stimulus packages were some of the key positives during the year. The challenges consisted of repeated Covid-19 waves, inflation, supply chain disruptions, the Russia-Ukraine conflict and rising energy prices kept the economy on the tenter hooks. Global inflation is predicted to rise considerably in 2023.

The Indian economy bounced back strongly post the second wave of the pandemic, during Q1 of FY 2022 and India's GDP grew by 8.7 % in FY22 compared to a contraction of 6.6% in FY21 and the Economic Survey to international steel pricing, domestic steel prices remain low. Following the ease in lockdowns, the Indian steel producers raised prices significantly in the recent quarter. As a result, discount levels drastically decreased. With improvement in global supply, worldwide prices are expected to drop in the coming quarters, accordingly, the need for decreasing the price will be expected from the Indian steelmakers.

Industry Structure and Developments

The global Steel industry witnessed a better-than-expected growth, despite the pandemic and supply chain disruptions. Due to the Government's severe restrictions against real estate developers, China's steel consumption slowed significantly in 2021. As the Government strives to promote infrastructure investment and stabilise the Real Estate market, steel consumption will remain flat in 2022. Steel consumption is expected to expand somewhat, in 2023, as a result of the stimulus measures implemented in 2022. Larger stimulus measures, which are inevitable if the economy confronts more headwinds from the deteriorating external environment, have upside potential. The World Steel Association anticipates steel demand to edge up 0.4% in 2022 to 1.84 billion MT, and grow a further 2.2% in 2023 to 1.88 billion MT.

Business Outlook of the Steel Industry

The Steel market remains poised to be largest in terms of production for FY 2022, as compared with the financial year 2021 - which goes down in history as an extraordinary one due to the pandemic disrupting trade and supply chains. Despite these challenges during Q1 FY 2022, the Company delivered a strong performance in the business in FY22 with a diagonal vertical spike in demand and favorable macroeconomic scenario leading to pick up in economic activities.

Our Product

We are ISO 9001-2000 & 14001 certified company by International Certification Ltd; Newzealand. We have been manufacturing reinforcement bars of International quality for the last many years. We are committed to continue our journey to excellence.

Our product, an output of state-of-the art automatic plant coupled with latest technology; dominate market in quality and trust. Our plant is manufacturing superior quality of steel bars (CTD/TMT) having edge over other manufacturers in terms of the various characteristic and features.

Sales & Marketing Review

Besides major advertising campaign for popularizing and branding of Thermo Mechanically Treated (TMT) Bars was taken up by our company to further boost its demand and popularity, the company developed widest dealership networks in U.P., Haryana, Punjab, Delhi, J & K., Gujarat, Rajasthan & Himachal Pradesh. Due to wider dealership networking Rathi TMT bars under the brand name "Rathi Stelmax" are readily available in wide range of 6 mm to 32 mm in the entire region of Northern & Western India instantly.



RATHI INDUSTRIES LTD.

Strategy and Planning

We are maintaining laboratory equipped with latest equipments for continuous Research and Development of products. The management is taking all necessary steps including various modifications in the plant to ensure the full and efficient running of the plant.

Financial Review

This year has been very encouraging for your Company to report impressive growth in the financials. The operations of your Company are improving day by day and the management is very aggressively striving to achieve the full production capacity. The management is taking all necessary steps including various modifications in the plant to ensure the full and efficient running of the plant.

Risk Management

The Company adopted a comprehensive Risk Management framework which helps to identify risks and opportunities and monitor their movement. The risk is evaluated based on two parameters:

- Likelihood of the event
- Impact of risk on the Company's operations and performance

Primary risks are defined as those with a high likelihood and high impact. The Company's risk management framework also identifies the potential emerging risks. This methodical approach to risk identification helps Management in making strategic decisions and building-specific risk mitigation plans. The identified risks are subsequently incorporated into the Company's ongoing planning cycle, which is reviewed regularly to ensure that business and operations are sustainable and secure. It analyses the status of significant risks and the application of Risk Management across plants and the corporate office on a regular basis.

We are having three keys elements for risk management, these are:

a) Risk Identification

It includes identify and categorize risks that could affect the project and steps includes documentation of risks. The outcome of risk identification is a list of risks.

b) Risk Mitigation

It covers efforts taken to reduce either the probability or consequences of a threat. It also called risk reduction.

c) Risk Monitoring and Control

It is the process for the tracking identified risks, monitoring residual risks, identifying new risks, executing risk response plans and evaluating their effectiveness.

Internal Control System

The Company has developed a system which helps the company to achieve its objectives efficiently and effectively. Our internal Control systems are adequate and provide reasonable assurance against misuse or loss of company's assets and provide optimum utilization of available resources of the Company.

Human Resources

The Company believes that in every organization the employees are the backbone of the Company. The company is providing an equal opportunity to all the employees to utilize their full potential and grow with the organization. Over the years we have developed strong Human Resource practices aimed at ensuring that our employees are provided with an enabling environment for growth and higher levels of contribution.



RATHI INDUSTRIES LTD.

Cautionary Statement

Statement in Management Discussion and Analysis are reporting the company's objectives, projections, estimates and expectation may be 'forward looking' within the meaning of applicable laws and regulations. Actual result might differ materially from those expressed or implied.

By order of the Board of Directors
of **Rathi Industries Limited**

Date: 06.09.2022
Place: Chhapraula

Vinay Rathi
(Director & CFO)
DIN: 00137502

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936

REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) is given below:

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate governance refers to the way in which a company is directed, administered, controlled and concerns the relationships among various internal & external stakeholders. Corporate governance also provides the structure through which the objectives of a company are set and the means of attaining those objectives and monitoring performance are determined.

Your company continuously strives to achieve excellence in corporate governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed.

In terms of the Listing Regulations, the details of compliance are as follows:

2. BOARD OF DIRECTORS:

(i) Composition of the Board

The Board comprises six Directors having one Whole Time Director, Two Executive Directors and three Non-Executive Independent Directors. The Chairman of the company is an Executive. The number of Independent Directors on the Board is 50% of the total number of Directors as well as the number of Non-Executive Directors are also 50% of the total number of Directors.

(ii) Board Meeting

The Board duly met 8 times during financial year 2021-22 on dated 24.05.2021, 30.06.2021, 14.08.2021, 07.09.2021, 13.11.2021, 19.01.2022, 14.02.2022 and 30.03.2022.

The name and categories of the Directors on the Board, their attendance at the Board Meetings and at the last Annual General Meeting and also the number of Directorship and Committee Membership held by them in other companies are as given below:

Name of the Directors	Category	No. of Board Meeting Attended	Whether Attended Last AGM	No. of Directorship in other Companies	No. of Committees Position held in other Companies	
					Chairman	Member
Mr. Sangram Singh (From 01 st April 2021 to 13 th November 2021)	Chairman & Whole Time Director	4	Yes	Nil	Nil	Nil
Mr. Abhishek Bhattar	Non - Executive Independent Director	3	No	2	Nil	Nil
Mr. Vinay Rathi	Executive Director	5	Yes	10	Nil	Nil
Mr. Vikas Rathi	Executive Director	4	Yes	11	Nil	Nil



RATHI INDUSTRIES LTD.

Mr. Ghanshyam Tiwari	Non-Executive Independent Director	5	Yes	Nil	Nil	Nil
Ms. Mona Gupta	Non - Executive Independent Director	1	No	Nil	Nil	Nil
Mr. Mukesh Bhadwaj (From November 13 th 2021 to March 31, 2022)	Chairman & Whole Time Director	2	NA	3	Nil	Nil

3. COMMITTEES OF THE BOARD:

The Board of Directors has constituted the following committees with adequate delegation of Powers:

(i) Audit Committee:

As on 31st March, 2022, the “Term of Reference” of the Committee and its composition were in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee consist of two Non-Executive Independent Directors & one executive director namely Mr. Abhishek Bhattar, Ms. Mona Gupta & Mr. Vinay Rathi.

The Audit Committee has been delegated with powers and entrusted with the duties to assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee’s purpose is to oversee the accounting and financial reporting process of the company, adequacy of internal audit system, the audits of the Company’s financial statements, the appointment, independence and performance of the statutory auditors and to meet out the requirements of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The names of the Members of the Committee and their attendance at the Meetings during the year 2021-22 are as follows:

S. No.	Name of the Members	Category	No. of Meetings Held	No.(s) of Meeting attended
1.	Mr. Abhishek Bhattar	Chairman	4	4
2.	Ms. Mona Gupta	Member	4	3
3.	Mr. Vinay Rathi	Member	4	1

Vigil Mechanism/Whistle Blower Policy

The company has in place a vigil mechanism pursuant to which a Values Committee has been constituted for addressing complaints received from directors and employees concerning unethical behavior, actual or suspected fraud and violation of the code of conduct or ethics policy of your company. The policy provides for adequate safeguards against victimization and all personnel have access to Audit Committee.



RATHI INDUSTRIES LTD.

ii) Stakeholders' Relationship Committee:

As at 31st March, 2022, the Committee had a Shareholders/Investors Grievance Committee consist of two Non-Executive and Independent Directors & one executive director namely Ms. Mona Gupta, Mr. Abhishek Bhatte and Mr. Vinay Rathi. the "Term of Reference" of the Committee and its composition were in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Stakeholders' Relation Committee looks into redressal of the shareholders and investors complaints like transfer of shares, issue of duplicate shares and other matters relating to investors grievances and investors relations. It also considers and resolves the grievance of security holders of the company.

The numbers of complaints received from the shareholders have been quite negligible during the year under review. No complaint was pending as on 31st March, 2022.

The names of the Members of the Committee are as given below:

S. No.	Name of the Members	Category
1	Ms. Mona Gupta	Chairperson
2.	Mr. Abhishek Bhatte	Member
3.	Mr. Vinay Rathi	Member

iii) Nomination and Remuneration Committee

As on 31st March, 2022, the Company has a Remuneration Committee in conformity with regulation 19 of the Listing Regulations consist of three Independent Directors namely Mr. Abhishek Bhatte (Chairman), Ms. Mona Gupta (Member) & Mr. Ghanshyam Tiwari (Member). The remuneration is fixed keeping in view of the overall limit laid down under the Companies Act, 2013, qualification and experience of the appointee and overall financial performance of the company. The remuneration of Executive Directors of the company is being paid as approved by the Board of Directors and Shareholders of the company.

The names of the Members of the Committee during the year 2021-22 are as follows:

S.No.	Name of the Members	Category
1.	Mr. Abhishek Bhatte	Chairman
2.	Ms. Mona Gupta	Member
3.	Mr. Ghanshyam Tiwari	Member

iv) Corporate Social Responsibility (CSR) Committee

A CSR Committee has been constituted under section 135 of the Companies Act; 2013 during the year. The details of CSR Committee are as follows:

S.No.	Name of the Members	Category
1.	Mr. Ghanshyam Tiwari	Chairman
2.	Ms. Mona Gupta	Member
3.	Mr. Vinay Rathi	Member



RATHI INDUSTRIES LTD.

(a) Executive Directors

Details of the remuneration paid/payable to Executive Directors for the financial year 2021-22 are as follows.

Name	Salary (Rs.)	Commission	Perquisite & Allowances	Stock Options
Mr. Sangram Singh (April 2021 to November 2021)	183,555/-	Nil		
Mr. Mukesh Bhardwaj (November 2021 to March 2022)	175,000/-			
Mr. Vinay Rathi	2,700,000/-	Nil		
Mr. Vikas Rathi	2,700,000/-	Nil		

(b) Non-Executive Directors

Details of the remuneration paid/payable to Non-Executive Directors for the financial year 2021-22 is given below:-

Name	Salary (Rs.)	Commission	Perquisite & Allowances	Stock Options
Mr. Abhishek Bhattar	Nil	Nil	Nil	Nil
Mr. Ghanshyam Tiwari	Nil	Nil	Nil	Nil
Ms. Mona Garg	Nil	Nil	Nil	Nil

4) GENERAL BODY MEETING:

Location, date and time of the AGM held during preceding three years are as under:-

No. of AGM	Date	Location	Time
29 th	30.09.2021	A-24/6, Mohan Co-op. Indl. Estate Mathura Road, New Delhi	3.00 P.M.
28 th	31.12.2020	A-24/6, Mohan Co-op. Indl. Estate Mathura Road, New Delhi	3.00 P.M.
27 th	30.09.2019	A-24/6, Mohan Co-op. Indl. Estate Mathura Road, New Delhi	3.00 P.M.

5) RISK MANAGEMENT:

The Board of Directors has developed and implemented a risk management policy for the company. A risk management committee has also been formed for identification and assessment of risks and minimization of risks by adopting various measures. The Company has taken proper initiatives to mitigate risks.

6) SUBSIDIARY COMPANY:

The Company does not have any subsidiary, joint venture or associate company. During the year also there were no companies which have become or ceased to be your Company's subsidiary, joint venture or associate company.



RATHI INDUSTRIES LTD.

7) RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in the ordinary course of business. There were no materially significant related party transactions which were transacted by the Company with any of the Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of your Company.

8) CEO/CFO CERTIFICATION:

The Whole Time Director and Chief Financial Officer of your company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations and the same forms part of this Annual Report.

9) REPORT ON CORPORATE GOVERNANCE:

Your company complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

10) COMPLIANCE CERTIFICATE:

A certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance as stipulated in the Listing Regulations forms part of this Annual Report.

11) GENERAL SHAREHOLDERS INFORMATION:

- | | | | |
|-----|--------------------------------|---|--|
| (a) | Annual General Meeting | : | Friday, 30 th September, 2022 at 3.00 P.M.
at A-24/6, Mohan Co-op. Indl. Estate,
Mathura Road, New Delhi -110044. |
| (b) | Financial year | : | 1 st April, 2021 to 31 st March 2022 |
| (c) | Date of Book Closure | : | 22nd September 2022 to 30th September 2022
(both days inclusive) |
| (d) | Dividend payment | : | No dividend is recommended for the
year. |
| (e) | Listing with Stock Exchange(s) | : | Metropolitan Stock Exchange of India |
| (f) | Registrar and Transfer agents | : | M/s Skyline Financial Services Pvt. Ltd,
D-153 A, Okhla Industrial Area, Phase-1, New
Delhi-110020.
Phone No. 011-26812682-83, 011-40450193-97
E-mail id – info@skylinerta.com
Website – www.skylinerta.com |
| (g) | Dematerialization of Equity | : | The Company has provided D-MAT connectivity
With both the depositories i.e. NSDL & CDSL.
ISIN: INE173X01019 |
| (h) | Address for correspondence | : | Regd. Off: A-24/6, Mohan Co-Operative
Industrial Estate, Mathura Road
New Delhi- 110044.
Phone No. : 011-46569307
E-mail Id : rathiindustriesltd@rediffmail.com
Website : www.rathistelmax.com |



RATHI INDUSTRIES LTD.

: Factory: Plot No 1319, G.T. Road,
Chhapraulla, Gautam Budh Nagar (U.P.)
Ph. No. +91 -9311904448

(i) Market Price Data (Rs.) : 95.35

(j) Distribution of shareholding of the company as on 31.3.2022 was as follows: -

Range of No. of Shares Holding, Nominal Value Rs.10/- each	No. of Shares Held	% to Total shareholding	No. of Shareholders	% to Total Shareholders
1 to 500	943256	14.60	5476	92.24
501 to 1000	273000	4.23	308	5.19
1001 to 2000	114645	1.77	72	1.21
2001 to 3000	59563	0.92	22	0.37
3001 to 4000	21461	0.33	6	0.10
4001 to 5000	81500	1.26	17	0.29
5001 to 10000	80975	1.25	11	0.19
10001 and above	4885600	75.64	25	0.41
TOTAL	6460000	100.00	5937	100.00

12) Code of Conduct Declaration pursuant to Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the senior Management Personnel have confirmed compliance with the code of Conduct for the year ended 31st March, 2022.

13) As stipulated under Schedule V of the SEBI Listing Regulations, core **Skills/ Expertise/ Competencies** as required in the context of the Company's Business and those actually available with Board Members are identified by the Board of Directors.

Chart/Matrix of such core skills/expertise/competencies of Directors of the company along with the names of directors who possess such s kills are given in the Table below:

S. No.	Name of Director	Skills/ Expertise/ Competencies
1	Mukesh Bhardwaj	Management & Strategy
		Operation, Human Resource & Industrial Relations
		Administration & Decision Making
2	Vinay Rathi	Finance & Taxation
		Corporate Governance & Ethics
		Forex Management, Banking, Investment and Treasury
		Administration & Decision Making
		Legal, Regulatory & Government matters
		Audit & Risk Management
3	Vikas Rathi	Management & Strategy
		Sales & Marketing Skills
		Operation, Human Resource & Industrial Relations
		Administration & Decision Making



RATHI INDUSTRIES LTD.

4	Abhishek Bhatte	Management & Strategy
		Operation, Human Resource & Industrial Relations
		Sales & Marketing Skills
		Administration & Decision Making
5	Mona Gupta	Management & Strategy
		Corporate Governance
		Compliance & Procedures
6	Ghanshyam Tiwari	Management & Strategy
		Operation, Human Resource & Industrial Relations
		Sales & Marketing Skills
		Administration & Decision Making

14) Independent Director's Meetings:

The Independent Directors met once during the year under report, i.e., 14th February, 2022, without the presence of Non- Independent Directors or Management representatives.

The Independent Directors evaluate the performance of the Non-Independent Directors, wherein the evaluation of performance of the Non-Independent Directors, including the Chairman and also of the Board as a Whole was made, against pre-defined and identified criteria.

15) Postal Ballot: No Postal Ballot was carried out during the year ended March 31, 2022.

16) Extra Ordinary General Meeting:

No Extra Ordinary General Meeting was held during the year ended March 31, 2022.

17) Certificate for Disqualification of Directors:

A certificate has been received from Ms. Ganesh Sharma & Associates, Practicing Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. This certificate is annexed to the end of this report.

By order of the Board of Directors
of **Rathi Industries Limited**

Date: 06.09. 2022
Place: Chhapraula

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936



RATHI INDUSTRIES LTD.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Rathi Industries Limited

I have examined the compliance of the conditions of Corporate Governance by Rathi Industries Limited for the year ended on 31st March 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations, 2015”).

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of the Listing Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion, to the best of my knowledge and according to the explanation given to me, and the representations made by Directors & the Management, I certify that the company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of the Listing Regulations, 2015.

I further 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 Ganesh Sharma & Associates
(Company Secretaries)

Ganesh Dutt Sharma
(Practicing Company Secretary)

M. No. 43348

C. P. No. 16085

UDIN: A043348D000907640

Peer Review Certificate No. 2047/2022

Date: Sept. 03, 2022
Place: New Delhi



RATHI INDUSTRIES LTD.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations).

To
The Members,
Rathi Industries Limited

As required by item 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I certify that as on 31.03.2022 none of the below mentioned directors on the board of Rathi Industries Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority:

S. No.	Name of Director	DIN	Date of Appointment
1	Mr. Mukesh Bhadwaj	01257936	13/11/2021
2	Mr. Vinay Rathi	00137502	02/12/2013
3	Mr. Vikas Rathi	01188409	26/03/2016
4	Mr. Abhishek Bhatner	01106946	31/12/2002
5	Ms. Mona Gupta	08893032	15/09/2020
6	Mr. Ghanshyam Tiwari	02466896	16/08/2016

For Ganesh Sharma & Associates
(Company Secretaries)

Ganesh Dutt Sharma
(Practicing Company Secretary)

M. No. 43348

C. P. No. 16085

UDIN: A043348D000907651

Peer Review Certificate No. 2047/2022

Date: Sept. 03, 2022

Place: New Delhi



RATHI INDUSTRIES LTD.

CEO/CFO Certificate Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Rathi Industries Limited

We certify that:

- a) We have reviewed the financial statement and the cash flow statement of the company for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct;
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and have disclosed to the Company's auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
- d) We have indicated to the auditors and the Audit committee:-
 - (i) significant changes in Company's internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 06.09.2022
Place: Chhapraula

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936

Vinay Rathi
(Director & CFO)
DIN: 00137502



RATHI INDUSTRIES LTD.

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Rathi Industries Limited

Opinion

We have audited the accompanying financial statements of **Rathi Industries Limited** (herein after referred to as "the Company") which comprise the balance sheet as at 31st March 2022, the statement of profit and loss (including other comprehensive income), Statement of changes in equity and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information (herein after referred to as 'the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the Company as at 31st March 2022 and its financial performance including other comprehensive income and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders' Information but does not include the Financial Statements and our Auditor's Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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, a statement on the matters specified in the paragraph 3 and 4 of the order.
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, the statement of cash flow and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - (e) on the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B;
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.



RATHI INDUSTRIES LTD.

(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, to the best of our information and according to the explanations given to us we state that:

- (i) The Company has disclosed pending litigations and the impact on its financial position in its Financial Statements – Refer note 28
- (ii) The company did not have any long-term contract including derivative contract for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GUPTA VERMA & SETHI
(Chartered Accountants)
FRN: 002605N

Place: New Delhi
Date: 30th May, 2022

CA S.C. SHARMA
(Partner)
M. No. 083982
UDIN: 22083982AJXHGH9262



RATHI INDUSTRIES LTD.

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph (1) under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of Rathi Industries Ltd. for the year ended March 31, 2022)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i. (a) In respect of its fixed assets (Property, Plant and Equipment):
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories (other than inventories in transit) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Inventories in transit, were verified by the management based on the subsequent delivery challans. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at point of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising statement of stock position filed by the Company with such banks or financial institutions are in agreement with unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- iii. The Company has not made any investments, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
 - (a) The Company has not provided any loans or advances in the nature of loans and stood guarantee during the year.
 - (b) No investment has been made by the company during the year.



RATHI INDUSTRIES LTD.

- (c) No loan has been granted or advances in the nature of loans provided by the Company.
- (d) As no amount of loans granted and advances in the nature of loans provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.
- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income tax, cess and other material statutory dues applicable to the Company have been generally regularly deposited by it with the appropriate authorities. We have been informed that the provisions of Service Tax, duty of Excise and Value Added Tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
 - (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

An amount of Rs. 62,29,18,004/- (Rs. 31,14,59,002/- Tax and Rs. 31,14,59,002 -Penalty) for the financial year 2018-19 has been demanded vide order dated 28.03.2022 by the office of Deputy Commissioner under State Goods & Service Tax Act, 2017.
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



RATHI INDUSTRIES LTD.

- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies.
- x. (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the reports of the Internal Auditors for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with it's directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause (xvi) of the Order are not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year



RATHI INDUSTRIES LTD.

- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within
- xx. (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.
- xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For GUPTA VERMA & SETHI
(Chartered Accountants)
FRN: 002605N

Place: New Delhi
Date: 30th May, 2022

CA S.C. SHARMA
(Partner)
M. No. 083982
UDIN: 22083982AJXHGH9262



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal & Regulatory Requirements' of our report of even date).

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

We have audited the internal financial controls over financial reporting of **Rathi Industries Ltd.** ("the Company") as of 31 March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and



RATHI INDUSTRIES LTD.

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GUPTA VERMA & SETHI
(Chartered Accountants)
FRN: 002605N

Place: New Delhi
Date: 30th May, 2022

CA S.C. SHARMA
(Partner)
M. No. 083982
UDIN: 22083982AJXHGH9262



RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in Rs.)			
Particulars	Note No.	Year ended 31st March, 2022	Year ended 31st March, 2021
REVENUE			
Revenue from operations	19	6,54,45,07,862	4,55,80,55,735
Other income	20	4,02,07,545	1,19,25,452
Total revenues (I+II)		6,58,47,15,407	4,56,99,81,187
EXPENSES			
Cost of raw material consumed	21	4,46,90,01,838	3,49,09,40,698
Purchase of stock-in-trade	22	1,54,59,05,022	47,40,04,500
Changes in inventories of finished goods and stock in trade	23	84,09,805	7,84,22,443
Employee benefits expenses	24	5,59,93,584	4,19,58,665
Finance costs	25	9,08,72,499	10,82,89,898
Depreciation and amortization expenses		5,13,71,462	7,33,68,890
Other expenses	26	31,53,13,992	26,06,75,557
Total expenses (IV)		6,53,68,68,202	4,52,76,60,651
Profit/(loss) before exceptional and tax		4,78,47,205	4,23,20,536
Exceptional items		-	43,01,665
Profit/(loss) before tax		4,78,47,205	3,80,18,871
Tax Expenses			
Current Tax		79,86,655	63,46,110
Deferred Tax	27	43,69,092	53,73,564
Profit/(loss) for the period from continuing operations		3,54,91,458	2,62,99,197
Profit/(loss) from discontinued operations		-	-
Tax Expenses from discontinued operations		-	-
Profit/(loss) from discontinued operations		-	-
Profit/(loss) for the period		3,54,91,458	2,62,99,197
Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will not be reclassified to profit or loss		-	-
B(i) Items that will be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period comprising Profit(Loss) and Other Comprehensive Income for the Period		3,54,91,458	2,62,99,197
Earnings per Equity Share (For Continuing Operation):			
1. Basic			
2. Diluted		5.49	4.07
Earnings per Equity Share (For Discontinued Operation):			
1. Basic		-	-
2. Diluted		-	-
Earnings per Equity Share (For Discontinued & Continuing Operation):			
1. Basic		5.49	4.07
2. Diluted		5.49	4.07
Significant Accounting Policies and Notes to Accounts	28		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached .
For Gupta Verma & Sethi
Chartered Accountants
FRN: 002605N

(CA. S. C. Sharma)
Partner
Membership No.-083982

For and on behalf of the Board of Directors
of Rathi Industries Limited

Vikas Rathi Mukesh Bhardwaj
(Director) (Whole Time Director)
DIN: 01188409 DIN: 01257936

Place: New Delhi
Date: 30th May, 2022

Vinay Rathi Ankush Vig
(Chief Financial Officer) (Company Secretary)



RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

(AMOUNT IN RS.)

Particulars	FOR THE YEAR ENDED	
	31.03.2022	31.03.2021
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation and extraordinary items	3,98,60,551	3,16,72,761
Add: Adjustment for :		
Depreciation	5,13,71,462	7,33,68,890
Financial Charges	9,08,72,499	10,82,89,898
(Profit) / Loss on sale of Investment	(3,11,61,035)	(45,19,627)
Operating Profit before working capital Changes	15,09,43,477	20,88,11,922
Adjustment for change in Working Capital	16,96,77,044	(7,93,03,979)
Financial Charges	(9,08,72,499)	(10,82,89,898)
Cash Flow before extra ordinary items	22,97,48,022	2,12,18,044
Prior year adjustments :	-	-
Net Cash from Operating Activities (A)	22,97,48,022	2,12,18,044
B).CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) & Sale of Fixed Assets (Net)	4,39,21,453	(3,81,67,100)
(Purchase) & Sale of Investments (Net)	-	91,54,519
Preliminary expenses paid	-	-
Net Cash used in Investing Activities (B)	4,39,21,453	(2,90,12,581)
C).CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowing (Net)	(0)	(45,99,086)
Proceeds from Short Term Borrowing	-	-
Net Cash used in Financing Activities (C)	(0)	(45,99,086)
Net increase in Cash and cash equivalents (A+B+C)	27,36,69,475	(1,23,93,622)
Cash and Cash equivalents (Previous year)	43,55,479	1,67,49,102
Cash and Cash equivalents (Current Year)	27,80,24,954	43,55,479

The accompanying significant accounting policies and notes to accounts are an integral part of financial statement

As per our report of even date attached .

For Gupta Verma & Sethi
Chartered Accountants
FRN 002605N

For and on behalf of the Board of Directors
of Rathi Industries Limited

(CA. S.C.Sharma)
Partner
Membership No.-083982

Vikas Rathi
(Director)
DIN:01188409

Mukesh Bhardwaj
(Whole Time Director)
DIN:01257936

Place: New Delhi
Date: 30th May,2022

Vinay Rathi
(Chief Financial Officer)

Ankush Vig
(Company Secretary)



RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

Note No.: 1 Property Plant & Equipment

(AMOUNT IN RS.)

DESCRIPTION	G R O S S V A L U E				D E P R E C I A T I O N				N E T V A L U E	
	As at 1.4.2021	Addition during the year	Disposal during the year	Total As at 31.12.2021	Upto 31.12.2021	Provided during the year	Adjustment for earlier years dep.	Total Upto 31.03.2022	As at 31.12.2022	As at 31.03.2021
Land	77,12,28,400	0	0	77,12,28,400	-	-	-	-	77,12,28,400	77,12,28,400
Building	7,78,18,410	-	-	7,78,18,410	5,63,80,161	20,36,634	-	5,84,16,795	1,94,01,615	2,14,38,249
Plant & Machinery	1,05,82,18,908	2,52,79,158	13,20,94,082	95,14,03,984	59,58,01,106	3,48,21,016	8,12,80,544	54,93,41,578	40,20,62,406	46,24,17,802
Rolling Mill Rolls	15,28,83,683	1,09,46,487	-	16,38,30,170	13,75,85,546	1,04,02,409	-	14,79,87,955	1,58,42,215	1,52,98,137
Furniture & Fixtue	42,29,391	0	-	42,29,391	21,81,628	4,94,220	-	26,75,848	15,53,543	20,47,763
Computer	25,61,345	1,02,859	-	26,64,204	23,69,083	73,105	-	24,42,188	2,22,016	1,92,262
Office Equipment	35,36,032	1,89,967	-	37,25,999	31,87,467	1,37,981	-	33,25,448	4,00,551	3,48,565
Vehicle	3,83,06,934	16,26,043	13,55,171	3,85,77,806	3,11,86,569	34,06,097	12,63,776	3,33,28,890	52,48,916	71,20,365
(A)	2,10,87,83,103	3,81,44,514	13,34,49,253	2,01,34,78,364	82,86,91,560	5,13,71,462	8,25,44,320	79,75,18,702	1,21,59,59,662	1,28,00,91,543
Capital Work in Progress	(B)	0	3,62,25,645	3,62,25,645	0	-	-	-	0	0
TOTAL	(A+B)	2,10,87,83,103	7,43,70,159	16,96,74,898	2,01,34,78,364	82,86,91,560	5,13,71,462	8,25,44,320	79,75,18,702	1,21,59,59,662
PREVIOUS YEAR - ENDING ON 31.03.2021		2,14,12,80,322	22,36,39,512	25,61,36,731	2,10,87,83,103	82,13,52,096	7,33,68,890	6,60,29,427	82,86,91,560	1,28,00,91,543



RATHI INDUSTRIES LTD.

Note No: 2

Investment Property

Particulars	(Amount in Rs.)	
	As at 31st March, 2022	As at 31st March, 2021
Investment in Land	3,48,30,347	3,48,30,347
Total	3,48,30,347	3,48,30,347

Note No: 3

Other non-current Assets

Particulars	(Amount in Rs.)	
	As at 31st March, 2022	As at 31st March, 2021
Security Deposits	1,57,56,000	1,57,45,000
Pre-operative Expenses	-	-
Other loans and advances	56,56,000	56,56,000
Advance for Land	46,40,000	46,40,000
Fraudulent Withdrawals A/c	-	-
Insurance Claim Recoverable	-	-
Regulatory Surcharge paid under protest	-	-
Total	2,60,52,000	2,60,41,000

Note No: 4

Inventories

Particulars	(Amount in Rs.)	
	As at 31st March, 2022	As at 31st March, 2021
Raw materials	13,55,14,636	13,17,30,517
Finished goods	14,48,57,284	13,61,94,618
Stock in trade	38,26,534	2,32,214
Stores and spares	64,50,400	67,60,500
Oil & Fuel	85,39,343	48,83,800
Stock of Retired Machinery Parts	-	1,23,29,460
Stock of Dismantle Machinery Parts	2,26,21,240	3,09,58,571
Total	32,18,09,437	32,30,89,680



RATHI INDUSTRIES LTD.

Note No: 5

Trade receivables

(Amount in Rs.)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Trade receivable outstanding for a period exceeding six months from due date Unsecured, considered good	1,30,25,500	1,40,45,300
Other trade receivables Unsecured, considered good	85,75,95,959	81,85,72,641
Total	87,06,21,459	83,26,17,941

Note No: 6

Bank Balance other than Cash and cash equivalents

(Amount in Rs.)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Bank Balance other than Cash and cash equivalents Balances with banks In current accounts	46,94,091	14,96,118
FDRs & RD with scheduled banks	-	10,85,326
Total	46,94,091	25,81,444

Note No: 7

Current Tax Assets (Net)

(Amount in Rs.)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Current Tax Assets (Net)		
Advance tax 2021-22	-	25,00,000
Advance tax 2022-23	25,00,000	
TDS on Sale 2021-22	36,16,677	
TDS on Royalty 2020-21	18,000	18,000
TDS on Royalty 2021-22	9,000	
TDS on Rent Received 2020-21	24,00,000	4,50,000
TDS on Rent Received 2021-22	-	
TCS on purchase 2020-21	44,544	20,54,596
TCS on purchase 2021-22	13,53,529	
Income Tax Refund receivable fy2019-2020	8,93,365	8,93,365
Income Tax Refund receivable fy 2021-2022	13,480	
TCS on purchase Vehicle	15,650	64,815
TDS on Electricity Security	1,26,375	
TCS ON INTEREST RCD ON ELECTRICITY Bill	4,81,582	-
TDS ON FDR	17,508	
Total	1,14,89,710	59,80,776

Note No: 8

Other Current Assets

(Amount in Rs.)		
Particulars	As at 31st March, 2022	As at 31st March, 2021
Other current assets		
Advances to suppliers and others	9,21,11,546	15,65,39,855
Cenvat, Vat, Gst and other taxes / duties	2,82,08,978	37,94,418
Prepaid expenses	91,316	1,76,457
Miscellaneous advances	1,19,82,278	2,36,95,111
Total	13,23,94,118	18,42,05,841



RATHI INDUSTRIES LTD.

Note No: 9

Equity Share Capital

(Amount in Rs.)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
(a) Authorised				
Equity Shares of Rs. 10/-each	70,00,000	7,00,00,000	70,00,000	7,00,00,000
Total		7,00,00,000		7,00,00,000
(b) Issued, subscribed and paid up				
Equity shares of Rs.10/-each	64,60,000	6,46,00,000	64,60,000	6,46,00,000
		-		-
Total		6,46,00,000		6,46,00,000
(c) Reconciliation of number and amount of equity shares out standing at the beginning and at the end of the reporting year :				
Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Outstanding at the begning of the reporting year	64,60,000	6,46,00,000	64,60,000	6,46,00,000
Add:				
(i) Issued on exercise of employees stock options	-	-	-	-
(ii) Issued for consideration other than cash	-	-	-	-
(iii) Issued for cash				
less :Shares bought back	-	-	-	-
Out standing at the end of the reporting year	64,60,000	6,46,00,000	64,60,000	6,46,00,000
(d) Details of rights, preferences and restrictions attached to equity shares:				
The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Equity Share holder is entitled to one vote. Dividend if declared, then paid in Indian rupees. The dividend proposed by the board of directors is subject to approval of shareholders in the ensuing Annual General Meeting.				
(e) Shareholders holding more than 5% of the equity shares of the company:				
Name of shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Raghu Overseas Pvt. Ltd.	5,61,500	8.69	5,61,500	8.69
Comero Trading & Investment Pvt. Ltd.	4,35,000	6.73	4,35,000	6.73
Ghaziabad Marbles & Mach. Mfg. Pvt. Ltd.	4,30,000	6.66	4,30,000	6.66
Jagdamba Marbles Ltd.	4,25,000	6.58	4,25,000	6.58
Glance Trading & Investment Pvt. Ltd.	4,11,000	6.36	4,11,000	6.36
Sh. Prem Ratan Rathi	5,09,400	7.89	5,09,400	7.89



RATHI INDUSTRIES LTD.

Note No: 10

Other Equity

Particulars	(Amount in Rs.)	
	As at 31st March, 2022	As at 31st March, 2021
(a) Capital reserves		
In respect of Revaluation of Land		
Balance as per last account	73,14,53,201	73,14,53,201
Add: Addition on revaluation of fixed assets	-	-
Less: Utilised for set off against depreciation	-	-
Closing balance	73,14,53,201	73,14,53,201
(b) Surplus in statement of profit and loss		
Balance as per last financial statement	59,02,04,968	56,39,05,771
Add: Net profit for the year as per Statement of profit and loss	3,54,91,458	2,62,99,197
Amount available for appropriation	62,56,96,426	59,02,04,967
Less: Appropriations:		
Proposed dividend	-	-
Tax on proposed dividend	-	-
Transfer to general reserve	-	-
Closing balance	62,56,96,426	59,02,04,968
Total Other Equity (a + b)	1,35,71,49,627	1,32,16,58,169



RATHI INDUSTRIES LTD.

Note No: 11

Borrowings

(Amount in Rs.)

Particulars	As at 31st March, 2022		As at 31st March, 2021			
a) Long-term borrowings						
Secured Term Loan						
i) WCDL From J& K Bank		2,31,56,616		3,00,00,000		
ii) From South Indian Bank		12,47,04,554		15,00,00,000		
iii) Vehicle Loans		42,95,199		53,80,303		
Unsecured Loan						
From other than banks		-		17,59,22,260		
Total		15,21,56,369		36,13,02,563		
b) Nature of securities for Secured Term Loan						
i) Term Loan of Rs. 1,24,704,554 from South Indian Bank Ltd. Ambedkar Road Ghaziabad is secured by way of hypothecation of Land, Building, Plant & Machinery and further guaranteed by two promoters of the Company.						
iii) Term Loans of Rs. 4295199/- are obtained to purchase the vehicles for Company against hypothecation of relevant vehicles.						
c) Terms of repayments						
Name of the banks/enties	Amount outstanding as on 31-03.2022		Period of maturity w.r.t. Balance Sheet date	Number of Installments	Amount of Installments	Rate of Interest
	Current	Non-current		Number of Installments		
South Indian Bank Ltd.	12,47,04,554	-	31-03-2028	81.00	2000000	11.90%



RATHI INDUSTRIES LTD.

Note No: 12

Provisions

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee benefits		
Gratuity	36,66,547	33,24,278
Leave encashment	8,30,977	6,40,624
Total	44,97,524	39,64,902

Note No: 13

Deffered tax liabilities (Net)

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deffered tax liabilities:		
Related to Depreciation Difference	4,50,79,380	4,07,10,288
Total	4,50,79,380	4,07,10,288

Note No: 14

Other non- current liabilities

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Payable to supplier of capital goods	10,83,694	64,95,147
Security deposits	-	66,00,000
Loans and Advances	8,66,82,706	13,79,99,806
Total	8,77,66,400	15,10,94,953

Note No: 15

Borrowings

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Short-term borrowings (Secured)		
Loans Repayable on demand from banks (Cash credit limit)		
i) From Jammu & Kashmir Bank Ltd - Delhi	27,77,88,305	23,73,72,311
ii) From Bank of Baroda- Delhi	31,32,21,416	31,91,23,222
iii) From South Indian Bank -GZB	11,99,75,417	-
Total	71,09,85,138	55,64,95,533
b) Nature of Securities		
Loans repayable on demand from Bank of Baroda and Jammu & Kashmir Bank Ltd. are secured by way of hypothecation of entire stock and other current assets including book debts, both present and future, of the company.		



RATHI INDUSTRIES LTD.

Note No: 16

Trade Payables

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Others	17,72,36,460	13,05,46,742
Total	17,72,36,460	13,05,46,742

Note No: 17

Other Current liabilities

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance from customers and others	32,86,970	1,33,12,287
Statutory liabilities payable	41,35,695	1,22,73,080
Unpaid salaries and other dues	34,73,439	41,92,555
Miscellaneous expenses payable	8,74,905	2,47,15,425
Total	1,17,71,009	5,44,93,347

Note No: 18

Provisions

(Amount in Rs.)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Income Tax	79,86,655	63,46,110
Total	79,86,655	63,46,110



RATHI INDUSTRIES LTD.

Note No: 19

Revenue from operations

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Sale of goods (Net of Sales Return)		
Manufactured goods		
Iron & Steel	4,96,64,95,585	4,07,71,19,971
Rent Received (Services)	2,05,00,000	
Traded goods		
Iron & Steel	1,55,75,12,277	48,09,35,764
Sale of goods (Net)	6,54,45,07,862	4,55,80,55,735

Note No: 20

Other Income

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Interest Income (Gross)		
Fixed deposits with banks	11,17,832	41,812
Others	6,31,876	2,369
Other non-operating income		
Profit on sale of Land	-	41,51,732
Profit on sale of Plant & Machinery	3,11,25,430	
Profit on sale of Vehicle	35,605	3,67,895
Income Tax Excess Provision 2019-20	-	11,13,326
Rent received	35,00,000	60,00,000
Miscellaneous income	37,96,802	2,48,318
Total	4,02,07,545	1,19,25,452

Note No: 21

Cost of raw material consumed

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Opening stock	13,17,30,517	10,98,51,804
Add: purchases	4,47,27,85,957	3,51,28,19,411
	4,60,45,16,474	3,62,26,71,215
Less: Closing stock	13,55,14,636	13,17,30,517
Cost of raw material consumed	4,46,90,01,838	3,49,09,40,698



RATHI INDUSTRIES LTD.

Note No: 22

Purchases of stock-in-trade

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Trade Goods Purchase	1,54,59,05,022	47,40,04,500
Total	1,54,59,05,022	47,40,04,500

Note No: 23

Changes in inventories of finished goods and stock in trade

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Finished goods		
Opening stock	13,61,94,618	21,35,19,034
Less: Closing stock	14,48,57,284	13,61,94,618
	-86,62,666	7,73,24,416
Stock-in-trade		
Opening stock	2,32,214	13,30,241
Opening stock Scrap	1,23,29,460	
Opening stock Dismantle Machinery Parts	3,09,58,571	
	4,35,20,245	
	-	-
Less: Closing stock	38,26,534	2,32,214
Less: Closing stock Scrap	-	
Less: Closing stock Dismantle Machinery Parts	2,26,21,240	
	2,64,47,774	
	1,70,72,471	10,98,027
Total	84,09,805	7,84,22,443

Note No: 24

Employee benefits expenses

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Salaries and wages	5,32,59,969	3,97,65,897
Contribution to provident and other funds	25,92,004	17,87,639
Staff welfare expenses	1,41,611	4,05,129
Total	5,59,93,584	4,19,58,665



RATHI INDUSTRIES LTD.

Note No: 25

Finance costs

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Interest expenses		
On long term borrowings	1,56,13,453	1,78,69,598
On short term borrowings	7,09,17,699	7,91,96,947
On others	12,12,899	1,07,24,866
Other borrowing costs	31,28,448	4,98,487
Total	9,08,72,499	10,82,89,898

Note No: 26

Other expenses

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Consumption of stores and spare parts	1,94,08,859	1,70,39,138
Power and fuel	24,52,02,384	19,86,88,024
Rent	17,61,000	17,98,384
Repairs to:		
Machinery	18,15,291	5,78,401
Others	6,18,930	5,09,753
Vehicle Running & Maintenance	9,63,034	3,28,399
Insurance	5,54,419	6,31,464
Rates and taxes	3,36,125	1,80,875
Payments to auditors:		
For statutory audit	2,70,000	2,50,000
For tax audit	0	20,000
Payment to cost auditors	40,000	40,000
Payment to Internal auditors	20,000	20,000
Miscellaneous expenses	3,13,85,610	3,02,58,439
Commission paid	66,35,163	82,97,456
Selling expenses	63,03,177	20,35,224
Total	31,53,13,992	26,06,75,557

Note No: 27

Deferred Tax

(Amount in Rs.)

Particulars	31st March. 2022	31st March. 2021
Deferred Tax for the year	43,69,092	53,73,564
Total	43,69,092	53,73,564



RATHI INDUSTRIES LTD.

NOTE No. 28

(NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022)

(I) Company Information

Rathi Industries Ltd. (the Company) is a public limited company incorporated on 29.11.1991 under the provisions of Companies Act, 1956 having its registered office at New Delhi. The Company is engaged in re-rolling activities particularly manufacturing & selling of M.S. Bars (TMT) under the brand name “RATHI STELMAX”. The Company’s operation includes four rolling mills installed at their plant situated at G.T. Road, Chhapraulla, Gautam Budh Nagar (U.P.).

(II) Basis of Preparation

The financial statements of the Company have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless stated otherwise and comply in all material aspects with the Indian Accounting Standards ('Ind AS') including the rules notified under the relevant provisions of the Companies Act, 2013. Company's financial statements are presented in Indian Rupees, which is also its functional currency.

(III) Significant Accounting Policies

A. Property Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on Property, Plant & Equipment is provided to the extent of depreciable amount on the Straight-Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

In respect of additions or extensions forming an integral part of existing assets, depreciation is provided as aforesaid over the residual life of the respective assets.

Dismantlement of plant:

The Company is in process of modernisation of its plant situated at Chhapraulla Gautam Budh Nagar. During the process of above modernisation & finalisation in current year, a profit of Rs. 3,11,25,430/- has been booked on account of scrap of plant dismantlement.



B. Use of Estimates

The preparation of Financial Statements is in conformity with Ind AS requires the Management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting year. Accounting estimates could change from period to period. Actual results could differ from those estimated. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

C. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

D. Investments

Investment has been valued at cost. The cost comprises purchase price and directly attributable acquisition charges.

E. Cash Flow Statement

Cash flows are reported using the Indirect Method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

F. Revenue Recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from operations includes sale of goods, excise duty and adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Interest income: Interest income from a financial asset is recognised using effective interest rate method.

(IV) Employee Benefits

As per Indian Accounting Standard 19 “Employee Benefits”, the disclosure of Employee Benefits as defined in the Accounting Standard are given below: -



RATHI INDUSTRIES LTD.

(i) Defined Contribution Plan

Contribution payable to recognized provident fund, superannuation scheme, family pension scheme which are substantially defined contribution plans, are recognized as expense in statement of profit & loss, as they are incurred:

Particulars	(Amount in Rs.)	
	2021-22	2020-21
Employer's Contribution to Provident Fund	761,284	503,433
Employer's Contribution to Family Pension Scheme	1,830,720	1,284,206
Employer's Contribution to ESI	577,343	462,747

(ii) Defined Benefit Plan

The obligation in respect of defined benefit plans, which are Gratuity, Pension, Leave Encashment Benefit, are provided on actuary basis at the end of each financial year. The liability recognized in the balance sheet for defined benefit obligations are as under:-

Particulars	(Amount in Rs.)	
	2021-22	2020-21
Gratuity	3,666,547	3,324,278
Leave Encashment Benefit	830,977	640,624

(V) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Contingent Liability/ Demand Order:

An amount of Rs. 62,29,18,004/- (Rs. 31,14,59,002/- Tax and Rs. 31,14,59,002 -Penalty) for the financial year 2018-19 has been demanded vide order dated 28.03.2022 by the office of Deputy Commissioner under State Goods & Service Tax Act, 2017.

(VI) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



RATHI INDUSTRIES LTD.

Particulars		(Amount in Rs.)
		2021-22
Net Profit/(Loss) as per Profit & Loss Account	35,491,458	26,299,197
Number of Equity shares	64,60,000	64,60,000
Basic E.P.S. (In Rs.)	5.49	4.07
Diluted E.P.S. (In Rs.)	5.49	4.07

(VII) Particulars of Consumption of Raw Materials and Stores

Particulars	2021-22		2020-21	
	Value (Rs.)	%	Value (Rs.)	%
Raw Materials				
i) Indigenous	4,469,001,838	100	3,490,940,698	100
ii) Imported	0	0	0	0
Total	4,469,001,838	100	3,490,940,698	100
Stores				
i) Indigenous	19,408,859	100	17,039,138	100
ii) Imported	0	0	0	0
Total	19,408,859	100	17,039,138	100

(VIII) CIF Value of Imports/Exports

There was not any import or export made by the company during the year as well as in immediately preceding year.

(IX) Segment Information

There is only one primary segment (MS Bars) and disclosure regarding segment reporting is not applicable.



RATHI INDUSTRIES LTD.

(X) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The Company called for the information from creditors regarding their status as to small scale undertaking, in order to make the required disclosure. Cases where no response received, it is assumed that they are not covered under the definition of Micro and Small Enterprises. Total outstanding to Micro and Small Enterprises as on 31.3.2022 is 20,980,594/-.

(XI) The company has reclassified previous year figures to confirm to this year's classification.

(XII) Notes to Financial Statements 1 to 28 forms an integral part of the Balance Sheet and Statement of Profit & Loss in our Report of even date.

As Per Our Report of Even Date Attached

For Gupta Verma & Sethi
Chartered Accountants
FRN: 002605N

(CA. S.C. SHARMA)
Partner
Membership No. 083982

Mukesh Bhardwaj
(Whole Time Director)
DIN: 01257936

Vikas Rathi
(Director)
DIN: 01188409

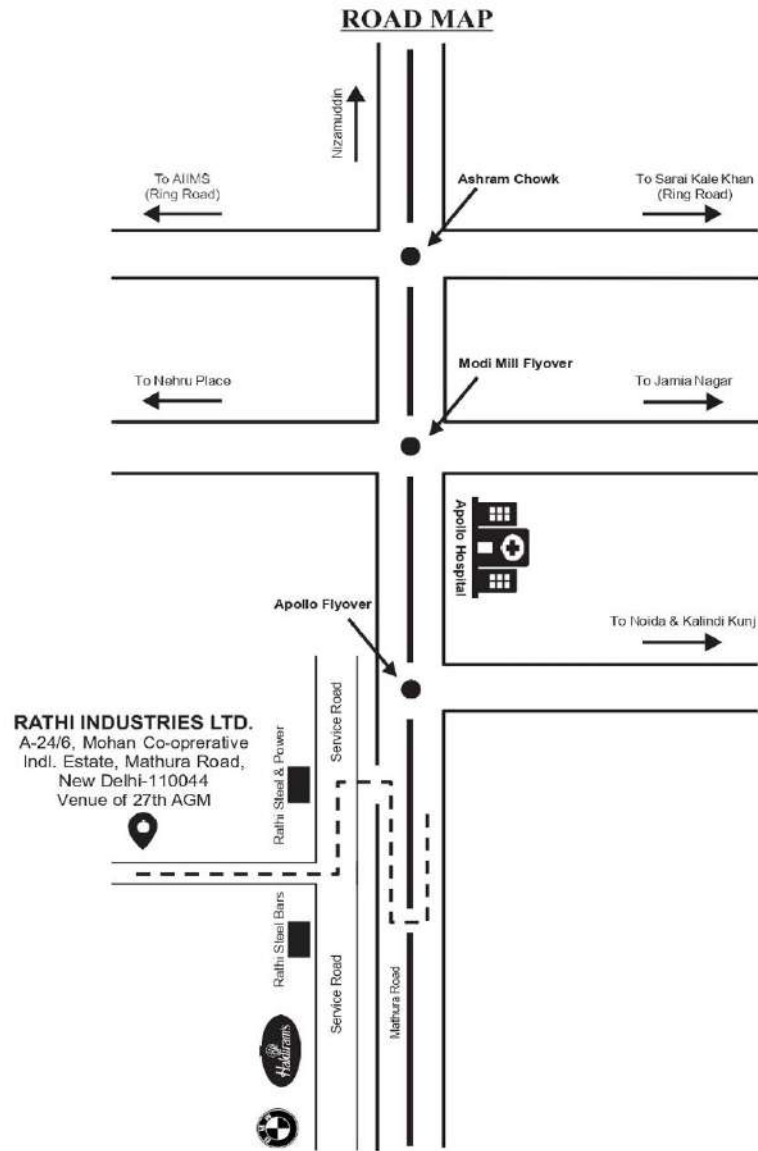
Place: New Delhi
Date: 30th May, 2022

Vinay Rathi
(Chief Financial Officer)

Ankush Singh
(Company Secretary)



RATHI INDUSTRIES LTD.





RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

CIN: L74899DL1991PLC046570

Regd. Office: A-24/6, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi-110044

Tel. No. 011-46569307, Fax No. 011-46569307

Website: www.rathistelmax.com, E-mail id: rathiindustriesltd@rediffmail.com

PROXY FORM (FORM MGT – 11)

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

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

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

1. Name:E-mail-ID:
Address: Signature
or failing him/her
2. Name: E-mail ID:
Address: Signature
or failing him/her
3. Name: E-mail ID:
Address: Signature

and whose signatures are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirtieth Annual General Meeting of the Company to be held on the Friday, the 30th day of September, 2022 at 3.00 p.m. at A-24/6, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi-110044 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Optional*	
Ordinary Business		For	Against
1	To adopt the Audited Financial Statements for the financial year 2021-22		
2	To re –appoint Mr. Vikas Rathi (DIN: 01188409) as Director who is liable to retire by rotation and offered himself eligible for re-appointment as Director.		
3	Appointment of M/s Gupta Verma & Sethi, Chartered Accountants as the Statutory Auditors of the Company		
Special Business			
4	Appointment of Mr. Mukesh Bhardwaj (DIN: 01257936) as “Whole Time Director” of the Company.		
5	To approve the Remuneration of Cost Auditors M/s. Avnesh Jain & Co.		



RATHI INDUSTRIES LTD.



RATHI INDUSTRIES LTD.

Signed this day of2022.

Signature of shareholder:

Signatures of proxy holders:

Affix Rupee 1/- Revenue Stamp
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Notes:

1. The proxy form duly signed across the Revenue Stamp must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
2. A proxy need not be a member of the Company.
3. * This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.



RATHI INDUSTRIES LTD.



RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

CIN: L74899DL1991PLC046570

Regd. Office: A-24/6, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi-110044

Tel. No. 011-46569307, Fax No. 011-46569307

Website: www.rathistelmax.com, E-mail id: rathiindustriesltd@rediffmail.com

ATTENDANCE SLIP

30TH ANNUAL GENERAL MEETING

I hereby record my presence at the 30th Annual General Meeting of the Company held on Friday, 30th day of September, 2022 at 3.00 p.m. at the A-24/6, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044.

Full name of the Member

Signature

Member's Folio/DP ID - Client ID No.

Full name of the Proxy

Signature

No. of shares held

Note:

1. this attendance slip duly filled in should be handed over at the entrance of the meeting hall.
2. Member/Proxy holders are requested to bring their copy of Annual Report for reference at the meeting.
3. Entry accompanying children/non-members will not be allowed.



RATHI INDUSTRIES LTD.
