

RATHI BARS LIMITED

(AN ISO 9001-2008 COMPANY)



**21st
ANNUAL REPORT
2013-2014**

BOARD OF DIRECTORS	Sh. Kamlesh Kumar Rathi Sh. Anurag Rathi Sh. Uddhav Rathi Sh. Harkishore Kejriwal Sh. Ashok Kumar Garg Sh. Binod Kumar Maheshwari
AUDITORS	M/s A. K. Vaish & Co. (Chartered Accountants) B-101, Gateway Towers, 24, Sector-IV, Vaishali, Distt. Ghaziabad (U.P.)
COST AUDITORS	Avnesh Jain & Co. 39, Adarsh Basti Tonk Fatak, Jaipur-302015 Ph.: 0141-2593495
COMPLAINEE OFFICER	P. C. Agarwal A-24/7, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044 Ph: 011-43165400
BANKERS	State Bank of Bikaner & Jaipur A-1/19, Safdarjung Enclave, New Delhi-110029
REGISTERED OFFICE	A-24/7, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044 Ph:011-43165400 Fax: 011-40597117 Email: contact@rathisteels.com
WORK OFFICE	SP ₁ , -7, RIICO Industrial Area, Khushkhera, P.O. Tapukra, Distt. Alwar, Rajasthan Ph.: 01493-518836
REGISTRAR & SHARE TRANSFER AGENT	M/s MAS Services Limited, T-34, Second Floor, Okhla Industrial Area, Phase II, New Delhi-110020

NOTICE

NOTICE is hereby given that Twenty First Annual General Meeting of the Members of M/S **RATHI BARS LIMITED** will be held on Tuesday, **30th day of September, 2014 at 10.00 A. M.** at A-24/8, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi-110044 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Profit & Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon:

“RESOLVED THAT the Company's audited Balance Sheet as at 31st March, 2014, the audited Profit & Loss Account and the audited Cash Flow Statement for the financial year ended on that date together with Director's and Auditor's Report thereon be and are hereby approved and adopted”.

2. To consider and if though fit, to pass, with or without modifications, if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Anurag Rathi, who retires from the office of Director by rotation in this Annual General Meeting, be and is hereby re-appointed as a Director of the Company, whose office shall be liable for retirement by rotation”.

3. To consider and if though fit, to pass, with or without modifications, if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 (2) and other applicable provisions , if any, of the Companies Act, 2013 and rules framed there under, as amended from time to time, M/s A K Vaish & Co, Chartered Accountants, retiring Auditors be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the auditors”.

SPECIAL BUSINESS:

4. Appointment of Ms. Parnika Rathi, (DIN 02714846) Women Director of the Company
To consider and if though fit, to pass, with or without modifications, if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sub Section (2) of Section 152 of the Companies Act, 2013 and approval of shareholders of the company and other applicable provisions of the Act, if any and articles of association of the Company, Ms. Parnika Rathi, be and is hereby appointed as director of the Company”.

5. To appoint a Director in the place of Mr. Uddhav Rathi (DIN 06604905), who was appointed as an additional director of the Company by the Board of Directors with effect from 13.02.2014 under Section 161(1) of the Companies Act, 2013 and who holds office upto the date of forthcoming Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from

a member proposing his candidature for the office of Director under the provisions of Section 160 of the Act.

To consider and if thought fit, to pass, with or without modifications, if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sub Section (1) of Section 161 of the Companies Act, 2013 and other applicable provisions of the Act, if any and articles of association of the Company, Mr. Uddhav Rathi, be and is hereby appointed as director of the Company”.

6. Appointment of Independent Director Mr. Ashok Kumar Garg

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

“RESOLVED THAT pursuant to the provision of the Sections 149, 152 read with schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Ashok Kumar Garg (DIN: 00378643), A non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September 2014 upto 29th September, 2019.”

7. Appointment of Independent Director Mr. Binod Kumar Maheshwari

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

“RESOLVED THAT pursuant to the provision of the Sections 149, 152 read with schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Binod Kumar Maheshwari (DIN: 00469637), a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September 2014 upto 29th September, 2019.”

8. Appointment of Independent Director Mr. Harkishore Kejriwal

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

“RESOLVED THAT pursuant to the provision of the Sections 149, 152 read with schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and clause 49 of the Listing Agreement, Mr. Harkishore Kejriwal (DIN: 00125247), a non-executive independent director of the Company, who has submitted a declaration that he meets

the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 30th September 2014 upto 29th September, 2019.”

9. Ratification of Cost Auditor's Remuneration

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

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of Rs 25,000/- (Rupees Twenty Five Thousand Only) plus service tax payable to Avnesh Jain & Co., Cost Accountants who are appointed as Cost Auditors of the Company to conduct Cost Audits relating to such businesses of the Company as may be ordered by the Central Government under the Act and the Rules thereunder, for the year ending 31st March, 2015.”

10. Authorization for Related Party Transactions

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 188 (1) (a) and all other applicable provisions, if any of the Companies Act, 2013 ('Act') and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into Contracts and/or agreements with M/s Rathi Special Steels Limited (three directors are common in both the companies) with respect to sale, purchase or supply of goods or materials, selling or otherwise disposing of upto an amount not exceeding an aggregate of Rs. 50 Crore (Rupees Fifty Crore) per annum as per the terms and conditions set out in the draft agreement placed before the meeting and initialed by the chairman for the purpose of identification and in such form and manner as the board in its absolute discretion may deem fit and proper.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of the Company and incidental thereto, and to sign and execute all deeds, applications, documents and writing that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.”

By order of the Board of Directors
FOR RATHI BARS LIMITED

Place: New Delhi

Date: 6th September, 2014

Sd/-
(Managing Director)

NOTES:

1. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 4 to 10 above, are annexed hereto. The relevant details of directors seeking appointment/re-appointment under item no. 4 to 8, as required by clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy, in order to be valid and effective must be deposited at the registered office of the Company not less than 48th hours before the commencement of the meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slip duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September 2014 to 30th September, 2014 (both days inclusive).
6. As per the provision of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nominations form prescribed by Central Government SH13 can be obtained from the Company's Registrar and Transfer Agents by members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
7. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with the relevant Companies (Management and Administration) Rules, 2014, Companies can serve Annual reports and other communication through electronic mode to those members who have registered their email addresses either with the Company or with the depository. The members holding shares in physical form and who have not registered their email-Id are requested to register their email Id addresses with M/s MAS Services Limited having its office at T-34, Second Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 the Company's registrars and Share Transfer Agents.
8. Members are requested to bring their copy of the Annual Report along with the duly filled attendance slip. As a measure of economy, copies of the annual report will not be distributed at the Annual General Meeting.

9. Shareholders holding shares in Electronic form are requested to bring their Client ID and DPID at the meeting for easy identification.
10. The queries, if any, on the accounts should be sent to the Company at its registered office such a way that the Company will receive the same at least 10 days before the Annual General Meeting.
11. Relevant documents referred to in the accompanying Notice and the statement are open for inspection by the members at the Registered office of the Company on all working days, during business hours upto the date of meeting.
12. Pursuant to the recommendation of SEBI committee on Corporate Governance about the re-appointment of the retiring directors, the relevant details of the concerned Directors are given in the report on Corporate Governance forming part of the Director's Report.
13. The Securities and Exchange Board of India vide circular ref no. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN the sole identification number for all participants' transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transaction and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee to furnish copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.
14. Pursuant to General Circular No. 20/2014 dated June 17, 2014 issued by the Ministry of Corporate Affairs, Government of India, the e-voting process has not been considered as mandatory till December 31, 2014. Pursuant to clause 35B of the listing agreement, we are providing the facility of e-voting to all members as per the applicable regulations relating to e-voting. The business may be transacted through e-voting services provided by Central Depository Services (India) Limited.
15. M/s PWR Associates, Company Secretaries, Delhi has been appointed as a scrutinizer for the conduct of e-voting process in a fair and transparent manner.
16. E-voting process is given on the back of form for e-voting passwords attached separately alongwith the Annual Report.
17. The final results including the E-voting results shall be declared at the AGM of the Company. The final results along with the scrutinizer's report shall be placed on the Company's website www.rathisteels.com in within two days of passing of the resolution at the AGM of the Company.

By order of the Board of Directors
FOR RATHI BARS LIMITED

Place: New Delhi

Date: 6th September, 2014

Sd/-
(Managing Director)

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

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as “the Act”) the following Explanatory Statements set out all material facts relating to the business mentioned under item nos. 4-10 of the accompanying Notice date Sept 06, 2014.

Item No.4:

The Board proposes the appointment of Ms. Parnika Rathi as director of the company, who has given her consent. As the appointment of director requires shareholders approval, therefore, proposal to appoint the director is given for your approval.

Item No. 5:

Mr. Uddhav Rathi was appointed as Additional Director by the Board with effect from 13.02.2014.

In terms of Section 161 (1) of the Companies Act, 2013 and as per Articles of Association of Company, Mr. Uddhav Rathi shall hold office as additional Director only till the date of the forthcoming Annual General Meeting, but is eligible for appointment. Notice has been received from a member as required by Section 160 of the Act, signifying its intention to propose the candidature of Mr. Uddhav Rathi for the office of Director.

Mr. Uddhav Rathi is a commerce graduate from foreign university and expert in financials and son of Late Sh. Anupam Rathi.

The Board considers it desirable that the Company should avail the services of Mr. Uddhav Rathi as Director and accordingly re-recommends the resolution at item no. 5 for approval by the members.

Item No. 6, 7 & 8:

As per the provisions of Section 149, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 which has come into force with effect from 1st April, 2014 provides that an Independent director shall hold office for a term of five consecutive years on the Board of a company and is not liable to retire by rotation but shall be eligible for reappointment on passing of special resolution by the Company.

Mr. Ashok Kumar Garg has been a Non-executive Director of the Company since 10th January, 2007 and is considered as an Independent Director under clause 49 of the Listing Agreement. Mr. Ashok Kumar Garg, is a Commerce Graduate having over 37 years of experience as a businessman. He is actively associated with various Companies in the field of oil, cold storage and leather goods. He has given a declaration to the board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The Matter regarding appointment of Mr. Ashok Kumar Garg as Independent Director was placed before the Nomination & Remuneration Committee, which recommends his appointment as an Independent Director up to 29.09.2019 when he will retire as per the

policy on retirement adopted by the Company. In the opinion of the Board, Mr. Ashok Kumar Garg fulfils the condition specified in the Act and the rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provision of Section 149 read with Schedule IV of the Act, the appointment of Mr. Ashok Kumar Garg as Independent Director is now being placed before the members in general meeting for their approval.

The term and conditions of appointment of Independent Directors shall be open for inspection by the Members at the registered office during normal business hours on any working day of the Company.

Mr. Ashok Kumar Garg is interested and concerned in the resolution mentioned at Item no. 6 of the Notice. Other than Mr. Ashok Kumar Garg no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item no. 6 of the Notice.

Mr. Binod Kumar Maheswari has been a Non-executive Director of the Company since 10th January, 2007 and is considered as an Independent Director under clause 49 of the Listing Agreement. Mr. Binod Kumar Maheswari, is a Graduate having over 37 years of experience in a packaging Industry. After graduation in 1970, he started steel trading business and in 1976 switched over to manufacturing of flexible packaging as a Small Scale Industry unit, in Kolkata. Thereafter, he expanded his business by setting up the plants in Pondicherry, Kanpur and Baddi (Himachal Pradesh).

The Matter regarding appointment of Mr. Binod Kumar Maheswari as Independent Director was placed before the Nomination & Remuneration Committee, which recommends his appointment as an Independent Director up to 29.09.2019 when he will retire as per the policy on retirement adopted by the Company.

In the opinion of the Board, Mr. Binod Kumar Maheswari fulfils the condition specified in the Act and the rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provision of Section 149 read with Schedule IV of the Act, the appointment of Mr. Binod Kumar Maheswari as Independent Director is now being placed before the members in general meeting for their approval.

The term and conditions of appointment of Independent Directors shall be open for inspection by the Members at the registered office during normal business hours on any working day of the Company.

Mr. Binod Kumar Maheswari is interested and concerned in the resolution mentioned at Item no. 6 of the Notice. Other than Mr. Binod Kumar Maheswari no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item no. 6 of the Notice.

Mr. Harkishore Kejriwal has been a Non-executive independent Director of the Company since 10th January, 2007 and is considered as an Independent Director under clause 49 of the Listing Agreement. Mr. Harkishore Kejriwal, is a businessman who started his career as a

stock broker and then ventured into various businesses like Textiles, Mining etc. He is actively associated with Karnataka Chitrakala Parishad, Bangalore since its inception. He founded the HK Kejriwal Foundation in the year 1970. This foundation gives grants to various institution associated with art, education, medicine and welfare of underprivileged children.

As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an Independent director shall hold office for a term upto five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Harkishore Kejriwal has given a declaration to the board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The Matter regarding appointment of Mr. Harkishore Kejriwal as Independent Director was placed before the Nomination & Remuneration Committee, which recommends his appointment as an Independent Director up to 29.09.2019, when he will retire as per the policy on retirement adopted by the Company.

In the opinion of the Board, Mr. Harkishore Kejriwal fulfils the condition specified in the Act and the rules made thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provision of Section 149 read with Schedule IV of the Act, the appointment of Mr. Harkishore Kejriwal as Independent Director is now being placed before the members in general meeting for their approval.

The term and conditions of appointment of Independent Directors shall be open for inspection by the Members at the registered office during normal business hours on any working day of the Company.

Mr. Harkishore Kejriwal is interested and concerned in the resolution mentioned at Item no. 6 of the Notice. Other than Mr. Harkishore Kejriwal no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item no. 6 of the Notice.

Item No: 9

The Company is directed under Section 148 of the Act to have the audit of its cost records conducted by a cost accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s Avnesh Jain & Co., as the Cost Auditors of the Company to conduct Cost Audits relating to such businesses of the Company as may be ordered by the Central Government under the Act and the Rules thereunder for the year ending 31st March, 2015, at a remuneration of Rs 25,000/- (Rupees Twenty Five Thousand) Plus service tax as applicable.

M/s Avnesh Jain & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. M/s Avnesh Jain & Co. has vast experience in the field of cost audit and have conducted the audit of cost records of the Company for the past several years under the provisions of the erstwhile Companies Act, 1956.

The Board has approved the remuneration Rs 25,000/- (Rupees Twenty Five Thousand) Plus service tax as applicable to M/s Avnesh Jain & Co. as the Cost auditors and the

ratification of the shareholders is sought for the same by Ordinary Resolution at Item No.9.

The Resolution at Item No. 9 is recommended for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No.9 of the Notice.

Item No. 10:

Pursuant to Section 188 of the Companies Act, 2013, the company can enter into transaction mentioned under aforesaid resolution, which are not in the ordinary course of business and/or are not on arm length basis, only with approvals of shareholders accorded by way of a special resolution. Though, your Company always seeks to enter into transaction with related party M/s Rathi Special Steels Limited in the ordinary course of business and at arm's length basis: still there may be such transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013

The proposal outlined above is in the interest of the Company and the board recommends the resolution in the accompanying Notice as special resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the Resolution mentioned at Item No. 10 of the Notice.

By order of the Board of Directors
FOR RATHI BARS LIMITED

Place: New Delhi

Date: 6th September, 2014

Sd/-
(Managing Director)

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the Twenty First Annual Report of your Company together with the Audited Accounts for the year ended March 31st, 2014.

(Rupees in Lakhs)

FINANCIAL RESULTS	Year 2013-2014	Year 2012-2013
Income from Operations Profit before Interest,	30469.30	31498.57
Depreciation and Tax	1037.67	893.25
Depreciation	261.74	218.70
Interest	445.84	353.09
Profit before Tax (PBT)	330.09	321.46
Profit after Tax (PAT)	243.64	214.18

REVIEW OF OPERATIONS AND FUTURE OUTLOOK

The Company has made a profit of Rs. 243.64 Lakhs (After Tax) during the year in comparison of Rs. 214.18 Lakhs in previous year and is hopeful of maintaining and improving its positions in the future.

DIVIDEND

Your Directors do not recommend any dividend at this stage as the Company requires ploughing back of the profits to the working capital of the Company and expects good results in the coming years.

DIRECTORS

- a) Ms. Parnika Rathi, is proposed to be appointed as women director pursuant to Section 152 (2) of the Companies Act, 2013 and a notice has been received from a member proposing the candidature of Ms. Parnika Rathi for being appointed as a Director of the company.
- b) During the period, Mr. Uddhav Rathi, Son of Late Sh. Anupam Rathi was appointed as additional director of the company on 13.02.2014 pursuant to Section 161(1) of the Companies Act, 2013 and he will hold office till the date of the forthcoming AGM and notice has been received from a member proposing the candidature of Mr. Uddhav Rathi for being appointed as a Director of the company.
- c) Mr. Anupam Rathi, whole time director of the company expired on 02.05.2014 and his death had shocked the whole Rathi family and other managerial personnel are trying to overcome and accommodate the responsibilities carried on by him.
- d) In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Shri Anurag Rathi, Director of the Company retire by rotation at

the forthcoming Annual General Meeting and being eligible for re-appointment. They have confirmed that they are not disqualified under Section 164 of the Companies Act, 2013 and they are eligible to be re-appointed as Directors of the Company.

- e) Pursuant to Section 149 of the Companies Act, 2013, your directors are seeking appointment of Mr. Ashok Kumar Garg, Mr. Binod Kumar Maheshwari and Mr. Har Kishore Kejriwal as Independent Directors for the terms given in the Notice of Annual General Meeting and details of the proposal are mentioned in the explanatory statement under Section 102 of the Companies Act, 2013.

OPERATIONAL REVIEW

During the year, your Company had produced 71520.220 MT Steel Bars (including Trading Purchase of 99.150 M.T of Steel Bars) and 35439.565 MT Ingots/ Billets as against production of 68523.150 MT Steel Bars (Nil Trading Purchase) and 33607.355 MT Ingots/Billets during the corresponding period of last year.

Corporate Social Responsibility

The Companies Act, 2013 introduced the concept of CSR pursuant to Section 135 while the eligibility criteria doesn't cover your company. However, the CSR is an integral part of the company activities and the company carries on corporate social responsibility through Rathi Education Society since inception.

SHARE CAPITAL

During the year, there is no change in the capital of the Company.

AUDITORS

M/s A. K. Vaish & Co., Chartered Accountants, who are the statutory auditors of the company, retires at the conclusion of this Annual General Meeting and being eligible, offers themselves for re-appointment. They have confirmed that their re-appointment, if made, would be in conformity with the limits prescribed under Section 139 of the Companies Act, 2013.

INDUSTRIAL RELATIONS

During the year, your Company maintained harmonious and cordial industrial relations.

STATUS OF LISTING

The Company's shares are listed at Bombay Stock Exchange Ltd. The Company has paid the listing fees to the Stock Exchange, Mumbai for the year 2014-2015.

The Company's shares are currently traded in compulsory DMAT Segment in BSE.

PUBLIC DEPOSITS

The Company has not invited or accepted any deposits pursuant to Section 58-A of the Companies Act, 1956. Hence, no information is required to be appended to this report in terms of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India Directions, 1998).

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee who falls under the Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required to be furnished under Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are as follow:

A) CONSERVATION OF ENERGY:

The Company is using best technology available for conservation of energy and had taken adequate steps to improve the conservation of energy and this is a continuous process and forms an integral part of responsibilities of departmental heads.

Some of the energy conservation steps taken are as follow:

- i) Optimum Capacity utilisation
- ii) Optimization of pump and motor operations through standard operating practices.
- iii) Strict quality checks on inputs thus saving electricity consumption.
- iv) Minimization of handling losses.
- v) Total Energy Consumption and Energy Consumption per unit of production is optimum as per industry standards.

During the year under review, the Company has consumed 1,335.090 MT steam coal, 4, 29, 43, 230 units of Electricity and 52,961.769 MMBTU of Gas.

B) TECHNOLOGY ABSORPTION

The Company is using technology, which is best available in the Steel Industry and always step forward to upgrade the same.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO (IN Rs.)

During the year under review:

Foreign Exchange Earned:	NIL
Foreign Exchange Outgo:	NIL

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with Stock Exchange, A Management Discussion and Analysis Report, Corporate Governance Report and Managing Director's Report and Auditor's Certificate regarding compliance of Conditions of Corporate Governance are made part of the Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors of your Company state:-

- i) That in the preparation of the annual accounts for the Financial Year 2013-14, the applicable accounting standards have been followed and that there are no material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year and of the Profit & Loss of the Company for that period;
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to offer their sincere thanks to the various Departments of the Central and State Governments, Bankers to the Company, all customers, dealers, suppliers and contractors for their continued, valued assistance and support. Your directors also wish to place on record their appreciation for dedicated services rendered by all officers, staff and workers of the company at all levels.

By order of the Board of Directors

FOR RATHI BARS LIMITED

Sd/-

Kamlesh Kumar Rathi
(Managing Director)

Place: New Delhi
Date: 06.09.2014

Sd/-

Anurag Rathi
(Whole Time Director)

DECLARATION REGARDING COMPLIANCE BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT/ PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that all Directors and senior management personnel of the Company have affirmed compliance with Code of Conduct of the Company for the financial year ended March 31, 2014 as envisaged in Clause 49 of the Listing Agreement with Stock Exchange.

Sd/-

Kamlesh Kumar Rathi
(Managing Director)

Place: New Delhi
Date: 06.09.2014

CERTIFICATE BY MANAGING DIRECTOR AND WHOLE TIME DIRECTOR:

We, Kamlesh Kumar Rathi, Managing Director and Anurag Rathi, Whole Time Director, certify that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their 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 their 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) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the auditors and the Audit committee:
 - (i) Significant changes in 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 they 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.

By order of the Board of Directors
FOR RATHI BARS LIMITED

Sd/-

Kamlesh Kumar Rathi
(Managing Director)

Sd/-

Anurag Rathi
(Whole Time Director)

Place: New Delhi

Date: 06.09.2014

CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

The Directors of the Company are pleased to present the Corporate Governance Report for the Financial Year 2013-2014. The Securities & Exchange Board of India introduced the Code of Corporate Governance for implementations by the listed companies vide an amendment to the Listing Agreement. The Shareholders and Investors of the Company will find the information informative and useful.

Company's policies on the Corporate Governance and due compliance report on specific areas wherever applicable for the year ended 31st March, 2014 are given hereunder divided into the following areas:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that for the success of its business, an adherence to the core values of integrity, honesty, accountability and Compliance of laws is of utmost significance. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company continuously strives for improving performance. The Company believes that adherence to Corporate Governance in all its dealings will make the Company more committed towards its Shareholders, Government Authorities, Banks and Stock Exchange etc.

2. BOARD OF DIRECTORS

A. Composition and Size of the Board

The composition of the Board of Directors as at 31st March 2014 is as follows:

Name	Designation	Executive / Non-executive / Independent
Sh. Kamlesh Kumar Rathi	Managing Director	Executive
Sh. Anurag Rathi	Whole Time Director	Executive
Sh. Anupam Rathi	Whole Time Director	Executive
Sh. Uddhav Rathi	Additional Director	Non Executive
Sh. Harkishore Kejriwal	Director	Non Executive and Independent
Sh. Ashok Kumar Garg	Director	Non Executive and Independent
Sh. Binod Kumar Maheshwari	Director	Non Executive and Independent

B. Board meetings held during the year

The Board meets at least once in a quarter to consider, amongst other business, the quarterly performance of the Company and its financial results. The Board held 6 meetings during the financial year 2013-14 on 30th May 2013, 12th July, 2013, 13th August 2013, 4th September, 2013, 14th November, 2013, and 13th February 2014 and the gap between two meetings doesn't exceed 4 months as per listing agreement. All the relevant information needed for taking decisions by the Board is made available to the Directors at the meetings.

The Board and its Committees formulate policy decisions, to lead and control the Company. The Composition of the Board is in conformity with the amendments in the Listing Agreement. No Director is a member of more than 10 Committees or Chairman

of more than of 5 Committees across all companies in which they are directors. The details are as under:

S. No.	Name of Directors	No. of Board Meetings attended	Attendance At last AGM	Number of Directorship in other public companies (s) (*)		Total Number of committee positions held in other public companies on 31.03.2014		Shareholding (Ordinary shares of Rs. 10/- each)
				Chair-man	Mem-ber	Chair-man	Mem-ber	
1	Sh. Kamlesh Kumar Rathi	6	YES	0	1	Nil	0	478402(2.93%)
2	Sh. Anupam Rathi	5	YES	0	1	Nil	0	256169(1.57%)
3	Sh. Anurag Rathi	5	YES	0	1	Nil	0	1045649(6.40%)
4	Sh. Harkishore Kejriwal	3	No	0	0	Nil	0	Nil
5	Sh. Ashok Kumar Garg	3	No	0	0	Nil	0	Nil
6	Sh. Binod Kumar Maheshwari	2	No	5	5	Nil	0	Nil

* Excludes directorship in associations, private, foreign and Section 25 Companies.

C. Information in cases of appointment or reappointment as required under listing agreement is given as under

Shri Anurag Rathi, Whole time Director of the company, shall retire by rotation in the ensuing AGM and Ms. Parnika Rathi shall be appointed as Director (Women) pursuant of Companies Act, 1956. Further Sh. Ashok Kumar Garg, Sh. Harkishore Kejriwal & Shri Binod Kumar Maheshwari, being the Independent non-executive Directors of the Company & has been on the Board of the Company since January 2007 shall be appointed for a term of 5 years pursuant to the provisions of Companies Act, 2013. They have made valuable contribution to the Board through their vast experience. Shri Kamlesh Kumar Rathi, is the Managing Director of the company and take care of overall administration of the company. Shri Uddhav Rathi, was appointed as additional director of the company who is to retire in the ensuing AGM is recommended for appointment as director of the company.

3. AUDIT COMMITTEE

The Company has constituted Audit Committee as per Clause 49(1) (b) of the Listing Agreement to review the internal audit systems and it comprises of Independent Directors in compliance of clause 49 II (i) of the Listing Agreement. Sh. Ashok Kumar Garg, is the Chairman of the Committee, Shri Kamlesh Kumar Rathi and Shri Harkishore Kejriwal are the members of the Committee. Finance Manager and Statutory Auditors are the invitees to the meeting. The terms of reference of this Committee cover the matters specified for Audit Committees under clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956.

There were five audit committees' meetings held during the year.

4. REMUNERATION COMMITTEE

Remuneration of Directors

No remuneration committee was required to be held during the tenure. As there is no appointment or change in the remuneration of management of the company. The Company has paid remuneration to Mr. Anupam Rathi and Mr. Anurag Rathi, both Whole time directors of the Company is Rs. 2, 00, 000/-PM.

5. SHARE TRANSFER AND INVESTOR GRIEVANCE COMMITTEE

The Company has an Investors Grievance Committee under the nomenclature 'Share Transfer and Investor Grievance Committee.' The Committee looks after the redressal of Shareholders and Investors Grievances and approves transfer/transmission, sub-division and issue of duplicate share certificates etc. The Company's Registrars and Share Transfer Agents handle the investor grievances in consultation with the secretarial department of the Company. The Registrars have adequate skilled staff with potential qualifications and advanced computer systems for speedy redressal of the investor grievances. The total process of settlement of a complaint right from its receipt to disposal is fully computerized to ensure timely settlement. It normally takes 10-15 days from the receipt of complaint for disposal of investor grievance. In addition to the above, the Company has Share Transfer and Investor Grievance Committee in accordance with the requirements of Clause 49 of the Listing Agreement. Shri Ashok Kumar Garg, independent Director is the Chairman of the Committee and Shri Anupam Rathi and Shri Anurag Rathi; Whole Time Directors are the members of the Committee. The Company has received & resolved one complaint during the year.

6. GENERAL BODY MEETINGS

The General Meetings of the last three years of the Company have been held as under:

For the Year	Location	Day and Date	Time	No.Of Special Resolutions passed
2012-2013 (AGM)	A-24/7, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi-110044	Monday, 30th September, 2013	10.:00 AM	Nil
2011-2012 (AGM)	A-24/7, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi-110044	Saturday, 29th September, 2012	10.:00 AM	Nil
2010-2011 (AGM)	A-24/7, Mohan Co-Operative Industrial Estate, Mathura Road, New Delhi-110044	Friday, 30th September, 2011	10.:00 AM	Nil

No Extra Ordinary General Meeting of the shareholders was held during the year.

The Company's shareholders through postal ballot have passed no resolution during the Financial Year 2013-14 and there is no resolution proposed to be passed through postal ballot in the ensuing Annual General Meeting.

7. DISCLOSURES

There were no materially significant related party transactions during the year having potential conflict with the interest of the Company. The transactions with related parties are disclosed in Note 2-item No. 2 (e) in the Annual Report.

There were no instances of non-compliance by the Company or penalty being imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. The company has received disclosure of interest from its key managerial personnel's.

Reconciliation of Share Capital Audit and certificate under clause 47 (C) of the Listing Agreement was issued by a Practicing Company Secretary on periodic basis for their due compliances.

8. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly un-audited/Audited financial results of the Company were published in leading newspapers viz. Veer Arjun (Hindi) and Pioneer (English). Half-yearly results are not sent to each shareholder's address as a matter of economy. Annual Report is sent to all the shareholders and made available at the time of AGM and submitted to BSE from where Annual report can be downloading free of cost in PDF format.

Management Discussion and Analysis is a part of the Annual Report.

9. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting-

Day, Date and Time : Tuesday, 30th September, 2014 at 10.00 A. M.-
Venue: A-24/8, Mohan Co-operative Industrial Estate, New Delhi-110044

Financial Calender

Financial Year : 01st April, 2013 to 31st March, 2014

First Quarter Results : 14th August, 2013

Second Quarter Results : 14th November, 2013

Third Quarter Results : 13th February, 2014

Fourth Quarter Results : 30th May, 2014

Annual General Meeting
for the year ending

March 31, 2013 : 30th September, 2013

Dividend Payment Date : NA

Listing on Stock Exchanges

Bombay Stock Exchange Ltd.
Floor 25, P J Towers, Dalal Street,
Mumbai-400 001

Market Price Data			Market Price Data		
Bombay Stock Exchange			Bombay Stock Exchange		
Month	High(Rs.)	Low(Rs.)	Month	High(Rs.)	Low(Rs.)
April, 13	04.50	03.03	Oct, 13	03.59	02.14
May, 13	04.25	02.87	Nov, 13	03.58	02.81
June, 13	03.24	02.74	Dec, 13	05.71	03.49
July, 13	03.02	02.45	Jan, 14	05.42	02.86
Aug, 13	02.81	02.04	Feb, 14	03.09	02.57
Sept, 13	02.36	01.98	Mar, 14	03.34	02.43

10. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2014

SHAREHOLDING	NO. OF SHARE-HOLDERS	%AGE	NO.OF SHARES	%AGE
Upto-5000	6653	71.32	1388807	8.50
5001-10000	1430	15.33	1081779	6.62
10001-20000	806	8.64	1140595	6.99
20001-30000	170	1.82	435905	2.67
30001-40000	73	0.78	263182	1.61
40001-50000	47	0.51	222825	1.37
50001-100000	71	0.76	522863	3.20
100001-Above	78	0.84	11274401	69.04
TOTAL	9328	100.00	16330357	100.00

11. DEMATERIALISATION OF SHARES

The Company's shares are currently trading in compulsory DMAT Segment at BSE.

12. ADDRESS FOR CORRESPONDENCE

Shareholders correspondence may be addressed to:

1. The Registrar & Transfer Agent -

M/s MAS Services Limited, T-34, Second Floor, Okhla Industrial Area, Phase II
New Delhi-110020. OR

2. The Company -

M/s Rathi Bars Limited, A-24/7, Mohan Cooperative Industrial Estate, Mathura
Road, New Delhi-110044.

MANAGEMENT DISCUSSION AND ANALYSIS GLOBAL AND INDIAN ECONOMIC SCENERIO

After a period of 5 years, since the break out of the global financial crisis and with significant liquidity injection by several large economies, the macro data from the developed economies started showing trends of slow improvement during 2013 even though several structural weaknesses still needs to be addressed before these trends can be considered sustainable. Global growth remains below pre-crisis levels and much weaker than during the rebound that took place in 2010 and 2011.

In 2013, global steel demand grew by 3.6% to 1.48 billion tones due to improved performance in the developed economies especially in North America and Euro Zone in the second half of the year. However, growth in emerging markets slowed down in 2013 due to weak demand especially in developed countries and tighter financial conditions. The World Crude steel production rose by 3.5% to 1.607 billion tones in the year 2013.

In 2013, India remained the 4th largest steel producing country in the world, behind China, Japan and USA. Crude steel production grew by 4.6% to 81.2 million tones and steel demand grew by 1.8%. India's GDP growth has slowed down to 5% in 2013 on account of rising inflation and tight monetary controls. This has led to weak domestic steel demand, which grew by 3.3% in 2013 inspite of rise in demand in the last quarter. This has resulted in India becoming the net exporter of steel in Financial Year 2013-14 after a gap of six years. Total steel exports by India during the Financial Year stood at 5.59 million tones, as against imports of 5.44 million tones as per the reports issued by Joint Plant Committee (JPC), a unit of the steel ministry.

India's GDP is expected to grow by 5% and steel demand is expected to growth by 3.3% in 2014. The automotive sector (passenger vehicles and commercial vehicles), which grew by 6% in the Financial Year 2013-14, is expected to grow by about 3%-4% in the Financial Year 2014-2015. Similarly, the construction sector growth is expected to grow by 5% in the next year compared to growth of 1.9% in the financial Year 2013-14.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The internal control systems and procedures adopted by the Company are adequate and commensurate with the size of operations of the Company. These systems and procedures are fine tuned from time to time to meet the requirements. The company has appointed M/s Rajiv S. Agarwal & Co., Chartered Accountants, Delhi as its internal auditors of the company

CAUTIONARY STATEMENT

Statements made in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. However, these statements would be subject to conditions of the stock market, changes in the policies of the government, economic development, reforms and various other factors.

**A. K. VAISH & CO.
CHARTERED ACCOUNTANTS**

**B-101, GATEWAY TOWERS, 24, SECTOR-IV,
VAISHALI, DISTT. GHAZIABAD (U.P.)**

Dear Members,
M/s Rathi Bars Limited
New Delhi.

Auditors' Certificate on Corporate Governance

We have examined the compliance of conditions of Corporate Governance by M/s Rathi Bars Limited for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange (BSE).

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our review and according to the information and explanation given to us, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange:

On the basis of records maintained of the Investors'/ Shareholders' Grievance cum Share Transfer Committee of the Company information provided by the management, we state that no investor grievance(s) is/are pending for a period exceeding one month against the Company.

We 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 A. K. Vaish & Co.
Chartered Accountants
Firm Registration No 506691C

Place: New Delhi
Date: 06th September, 2014

Sd/-
A.K. Bansal
Proprietor
Membership No: 071088

A. K. VAISH & CO.
CHARTERED ACCOUNTANTS

B-101, GATEWAY TOWERS, 24, SECTOR-IV,
VAISHALI, DISTT. GHAZIABAD (U.P.)

Independent Auditors' Report to the Members of Rathi Bars Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Rathi Bars Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **A. K. Vaish & Co.**
Chartered Accountants
Firm Registration No 506691C

Place: New Delhi
Date: 06th September, 2014

Sd/-
A.K. Bansal
Proprietor
Membership No: 071088

A. K. VAISH & CO.
CHARTERED ACCOUNTANTS

B-101, GATEWAY TOWERS, 24, SECTOR-IV,
VAISHALI, DISTT. GHAZIABAD (U.P.)

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its fixed assets :
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b. As explained to us, all the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year and going concern status of the Company is not affected.
2. In respect of its inventories :
 - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - a. The Company has not granted any loans/advances to any parties and taken loans/advances from 1 (One) party/ies aggregating to ` 1,62,000/- (Rupees One Lacs Sixty Two Thousand only).
 - b. In our opinion and according to the information and explanations given to us, the rate of interest, wherever, applicable and other terms and conditions are not prima facie prejudicial to the interest of the company.
 - c. In respect of loans taken by the Company, the interest payments are regular and the principal amount is repayable on demand.
 - d. There is no overdue amount in respect of loans taken by the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and

the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.

5. In respect of transactions entered in the register maintained in pursuance of section 301 of the Act:
 - a. To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
 - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements during the year, have been made at prices which are reasonable having regard to the prevailing market price at relevant time.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
9. In respect of statutory dues :
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales tax, Wealth tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
 - b. According to the records of the company, there are no dues of sale tax, income tax, custom duty, wealth tax, excise duty or cess have not been deposited on account of any dispute.
10. The company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of

pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.
15. As per information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanation given to us, the term loans were utilised for the purposes for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, no funds raised on short term basis have been used for long term investment. Similarly, no funds raised on long term basis have been used for short term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year. Hence the requirement of Clause (xix) of paragraph 4 of the order is not applicable to the Company.
20. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For **A. K. Vaish & Co.**
Chartered Accountants
Firm Registration No 506691C

Sd/-

A.K. Bansal

Proprietor

Membership No: 071088

Place: New Delhi

Date: 06th September, 2014

BALANCE SHEET AS AT 31 MARCH, 2014

Particulars	Note No.	As at	As at
		31 March, 2014	31 March, 2013
		₹	₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share capital	3	163,303,570	163,303,570
Reserves and surplus	4	574,258,073	549,894,392
2 Non-current liabilities			
Long-term borrowings	5	62,095,283	90,361,283
Deferred tax liabilities (net) (Refer Note-2 item 2g of notes of accounts)		42,172,763	38,420,415
3 Current liabilities			
Short-term borrowings	6	276,989,428	259,040,537
Trade payables	7	124,678,839	119,869,587
Other current liabilities	8	143,501,392	88,157,474
Short-term provisions	9	464,893	760,961
TOTAL		<u>1,387,464,241</u>	<u>1,309,808,219</u>
B ASSETS			
1 Non-current assets			
Fixed assets			
Tangible assets	10	322,811,723	302,583,919
Intangible assets		-	-
Capital work-in-progress		36,244,848	39,200,050
2 Current assets			
Current investments	11	232,946,603	158,158,685
Inventories	12	170,851,846	152,459,307
Trade receivables	13	456,656,527	465,608,478
Cash and cash equivalents	14	8,449,759	19,257,660
Short-term loans and advances	15	159,502,935	172,540,120
TOTAL		<u>1,387,464,241</u>	<u>1,309,808,219</u>
General Information	1		
Significant Accounting Policies & Notes on Accounts	2		

As per our report of even date attached
For A.K. Vaish & Co.

Chartered Accountants

Sd/-

A.K. Bansal

Proprietor

Membership No.071088

Place : New Delhi

Date : 06.09.2014

For and on behalf of the Board of Directors

Sd/-

Kamlesh Kumar Rathi
(Managing Director)

Sd/-

Anurag Rathi
(Whole Time Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2014

Particulars	Note No.	Year Ended	Year Ended
		31 March, 2014	31 March, 2013
		₹	₹
1 Revenue from operations	16	3,046,930,367	3,149,857,198
Less: Excise duty		330,526,347	337,792,150
Revenue from operations (net)		<u>2,716,404,020</u>	<u>2,812,065,048</u>
2 Other income	17	<u>22,696,913</u>	<u>5,420,906</u>
3 Total revenue (1+2)		<u>2,739,100,933</u>	<u>2,817,485,954</u>
4 Expenses			
Purchases of stock-in-trade		4,031,803	2,908,959
Cost of materials consumed	18	2,187,405,415	2,254,827,735
Changes in inventories	19	11,724,063	(11,866,221)
Employee benefits expenses	20	38,033,506	39,053,341
Finance costs	21	44,583,837	35,309,142
Other expenses	22	394,138,720	443,237,306
Depreciation		<u>26,174,471</u>	<u>21,869,919</u>
5 Total expenses		<u>2,706,091,815</u>	<u>2,785,340,181</u>
6 Profit / (Loss) before tax (3-5)		33,009,118	32,145,773
7 Tax expenses:			
Income Tax for current year		6,592,000	6,552,000
Wealth Tax		66,309	49,687
(Less): MAT credit		(1,433,909)	3,098,973
Deferred tax			
(Refer Note-2 item 2g of notes of accounts)		3,752,348	1,026,866
Income Tax of Earlier Years		<u>(331,311)</u>	<u>-</u>
8 Total tax expenses		<u>8,645,437</u>	<u>10,727,526</u>
9 Profit / (Loss) for the year (6-8)		24,363,681	21,418,247
Earnings per share (of ₹ 10/- each):			
Basic and Diluted		1.49	1.31
General Information	1		
Significant Accounting Policies & Notes on Accounts	2		

As per our report of even date attached

For A.K. Vaish & Co.

Chartered Accountants

Sd/-

A.K. Bansal

Proprietor

Membership No.071088

Place : New Delhi

Date : 06.09.2014

For and on behalf of the Board of Directors

Sd/-

Kamlesh Kumar Rathi
(Managing Director)

Sd/-

Anurag Rathi
(Whole Time Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

S.No. Particulars	Year Ended 31 March, 2014 (₹ in Lacs)	Year Ended 31 March, 2013 (₹ in Lacs)
A Cash Flow from operating activities:		
Profit Before Taxation	330.09	321.46
Adjustments for:		
Depreciation	261.74	218.70
Interest and Financial Charges	445.84	353.09
Loss / (Profit) on Mutual Fund	(90.11)	(12.27)
Interest Income & Others	(129.05)	(33.09)
Dividend Income	(0.20)	(0.21)
Operating Profit before working capital changes	818.31	847.68
Decreased (Increase) in Trade Receivables	89.52	63.98
Decreased (Increase) in Inventories	(183.93)	(112.39)
Decreased (Increase) in Loan & Advances	144.71	(112.01)
Increase (Decrease) in Current Liabilities and Provisions	598.56	35.03
Cash Generated from operations	1467.17	722.29
Income Tax paid	(66.58)	(66.02)
Net cash provided by operating activities	1400.59	656.27
B Cash flow from investing activities:		
Proceeds from sale of fixed assets	1.63	26.98
Sale / (Purchase) of Investments	(747.88)	(668.52)
Sale / (Purchase) of Fixed assets and Capital Work in Progress	(436.10)	(409.15)
Profit / (Loss) on Mutual Fund	90.11	12.27
Income from Interest	129.05	33.09
Income from Dividend	0.20	0.21
Net cash used in investing activities	(962.99)	(1005.12)
C Cash Flow from Financing Activities		
Increase / (Decrease) in Reserves & Surplus	3.31	0.00
Increase in Long Term Borrowing (Net)	(118.20)	133.36
Increase in Short Term Borrowing (Net)	179.49	599.36
Increase (Decrease) in Unsecured Loan	(164.46)	(3.00)
Interest Paid	(445.84)	(353.09)
Net Cash used in Financing Activities	(545.70)	376.63
D Net increase (decrease) in cash and cash equivalents	(108.10)	27.78
E Cash and Cash Equivalent at the beginning of the year	192.58	164.80
F Cash and Cash Equivalent at the end of the year	84.48	192.58

As per our report of even date attached

For A.K. Vaish & Co.

Chartered Accountants

Sd/-

A.K. Bansal

Proprietor

Membership No.071088

Place : New Delhi

For and on behalf of the Board of Directors

Sd/-

Kamlesh Kumar Rathi

(Managing Director)

Sd/-

Anurag Rathi

(Whole Time Director)

NOTE-1**General Information**

Rathi Bars Limited, a steel rolling mill, was set-up at Khushkhera, Distt. Alwar, Rajasthan with a view to meet the growing requirement of reinforcement steel bars for construction. The company is engaged in the manufacturing of reinforcement steel bars (TMT) & Ingots/Billets.

NOTE-2**SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS:****1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:****a. Basis of Accounting:**

Accounts have been prepared under the historical cost convention, in accordance with applicable mandatory accounting standards issued by the institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

b. Revenue Recognition:

The company follows the accrual system of accounting to recognise income and expenditure.

c. Fixed Assets:

All fixed assets are valued at cost (net of CENVAT, wherever applicable) less depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

d. Expenditure During Construction Period:

Expenditure incurred on projects during implementation is capitalized and apportioned to various assets on commissioning of the project.

e. Depreciation:

Depreciation has been provided on Written Down Value Method on all assets of the company except the new plant and machinery installed under Equipment Re-finance Scheme and afterwards & Vehicles, which are on straight line method.

f. Investments:

- (i) Long Term Investments are stated at cost.
- (ii) Current Investments are stated at lower of cost and fair value.

g. Inventories:

Raw Material and Stores & Spares Parts are valued at cost. Finished goods are valued at cost of production or market value, whichever is less. Scrap is valued at net realization value.

h. Retirement and other Employee Benefits:**i) Defined Contribution Plan**

The company makes defined contribution to provident fund is recognized in the profit & loss account on accrual basis.

ii) Defined Benefit Plan

The company's liabilities under payment of Gratuity Act is determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

i. Taxation:

- i) Tax expense comprises of current and deferred tax
- ii) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.
- iii) The deferred tax for timing difference between the books and tax profits for the year is accounted for, using the tax rates and laws have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing difference are recognized to the extent there is reasonable certainty that these would be realized in future.
- iv) Deferred tax assets in case of unabsorbed losses and unabsorbed depreciation are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits

j. Excise Duty and Cenvat:

Liability towards excise duty on the finished goods is accounted for as and when the goods are cleared from the factory premises and Cenvat benefit is accounted for by reducing the purchase cost of the materials/capital goods.

k. Sales/Turnover:

Sales/Turnover includes Sales Value of goods and Excise Duty.

l. Miscellaneous Expenditure:

The non-allocable deferred revenue expenditures are being written off during the year.

m. Contingent Liabilities:

Contingent Liabilities are not provided for and are disclosed by way of notes.

2. Notes on Accounts:

a. The Company has provided liabilities on account of Defined Benefit Obligation on the basis of actuarial valuation as given by actuarial valuer, detailed disclosure in terms of AS-15 (Revised) could not be made. However, in the opinion of the management, the amount is not material and defined benefit obligation has been provided.

b. Current Liabilities & Provisions:

- i) Sundry creditors includes ₹ 12.14 lacs (31st March, 2013: ₹ 6.34 lacs) due to Small Scale Industrial Undertakings (SSI Units) as identified by the Company and relied upon by the auditors.
- ii) The company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the

year end together with interest paid/payable as required under the said Act have not been given.

c. Payment to Auditors in respect of:

	Year ended on 31st March, 2014	Year ended on 31st March, 2013
A Audit Fees	₹ 1,80,000.00	₹ 1,55,000.00
B Fee for Limited Review	₹ 30,000.00	₹ 30,000.00
C Out of Pocket Expenses	₹ 10,000.00	₹ 10,000.00

d. Expenditure in Foreign Currency:

	Year ended on 31st March, 2014	Year ended on 31st March, 2013
Traveling	Nil	₹ 1,45,320.00

e. Related Party Disclosures, as required in terms of Accounting Standard (AS-18) are given below:

A.	List of Related Parties	Purchase of Goods	Sale of Goods	Remuneration / Salary	Inter-corporate Deposits Taken	Refund of Inter-corporate Deposits Taken
1	Key Managerial Personnel					
a	Mr. Kamlesh Kumar Rathi (Managing Director)	—	—	—	—	52.90
b	Mr. Anupam Rathi (Director)	—	—	24.00	—	31.03
c	Mr. Anurag Rathi (Director)	—	—	24.00	—	55.08
2	Relatives of Key Managerial Personnel					
a	Mrs. Pushpa Rathi	—	—	6.00	—	—
b	Mrs. Parnika Rathi	—	—	12.00	—	9.00
c	Mrs. Nandita Rathi	—	—	12.00	—	—
3	Companies / Associates in which the Key Managerial Personnel and/or their relatives exercise significant influence					
a	M/s Rathi Special Steels Ltd.	1097.15	1401.02	—	—	—
b	Anupam Rathi (HUF)	—	—	—	—	7.50
c	Anurag Rathi (HUF)	—	—	—	—	8.95

f. Earning Per Share (EPS):

**Year ended
on 31st March, 2014**

i	Profit after taxation as per Profit and Loss Account (in ₹)	2,43,63,681.00
ii	Weighted Average number of equity shares outstanding	1,63,30,357.00
iii	Basic and Diluted earnings per share (in ₹)	1.49

g. Break-up of deferred Tax Asset is given as under:

Particulars	As on 31.03.2014 (Amt. in ₹)	As on 31.03.2013 (Amt. in ₹)
Depreciation	4,84,60,975	4,58,96,851
Carried Forward unabsorbed depreciation & Losses	(62,88,212)	(74,76,436)
	<u>4,21,72,763</u>	<u>33,84,20,415</u>
Increase in Deferred Tax Liabilities		37,52,348

h. Market value of Investment in Quoted Equity Shares ₹ 21,87,515.00 (Previous Year: ₹ 23,91,915.00)

i. Contingent liabilities not provided for:

Claims against the Company not acknowledged as debts (to the extent ascertained) in respect of various demands etc. raised, which in the opinion of the management are not tenable are under appeal at various stages:

	Current Year (₹)	Previous Year (₹)
Excise Duty cases	Nil	3,29,784

j. The figures of previous year have been re-arranged/re-grouped wherever felt necessary.

3. QUANTITATIVE INFORMATION :

A. PRODUCTION & PURCHASE

Particulars		As at 31.03.2014	As at 31.03.2013
1.	Licensed Capacity Steel Bars Ingot / Billets	100000.000 MT 68500.000 MT	100000.000 MT 68500.000 MT
2.	Actual Production & Purchase Steel Bars* Ingot / Billets	71520.220 MT 35439.565 MT	68523.150 MT 33607.355 MT
	TOTAL	106959.785 MT	102130.505 MT

*71520.220 M.T. Includes 99.150 M.T. Trading Purchase of Steel Bars (Previous Year: Nil M.T.)

B. STOCKS

Particulars	Opening Stock				Closing Stock			
	As at 01.04.2013		As at 01.04.2012		As at 31.03.2014		As at 31.03.2013	
	QTY. (in MT)	AMOUNT (in ₹)						
Steel Bars	2110.820	85841939	1376.165	54055667	2282.630	88694637	2110.820	85841939
Ingot/Billets	570.890	17834326	1395.030	46681889	126.190	3903183	570.890	17834326
TOTAL	2681.710	103676265	2771.195	100737556	2408.820	92597820	2681.710	103676265

C. DESPATCH

Particulars	As at 31.03.2014		As at 31.03.2013	
	QTY. (in MT)	AMOUNT (in ₹)	QTY. (in MT)	AMOUNT (in ₹)
* 71348.410 M.T. Includes 99.150 M.T. Trading Sale of Steel Bars (Previous Year: Nil M.T.)				
Steel Bars*	71348.410	2902638551	67788.495	2978895683
Ingot / Billets**	35884.265	142047212	34431.495	164526715
Scrap, Commission etc		2244604		6434800
TOTAL	107232.675	3046930367	102219.990	3149857198

** 35884.265 M.T. Includes 31885.000 M.T. Used For Production of Steel Bars (Previous Year: 29925.000 M.T.)

D. CONSUMPTION

Particulars	As at 31.03.2014		As at 31.03.2013	
	QTY. (in MT)	AMOUNT (in ₹)	QTY. (in MT)	AMOUNT (in ₹)
Ingots / Billets*	75434.885	1330039515	72973.730	1384617143
Scrap/Sponge Iron**	37746.393	857365900	36902.924	870210592
Stores & Spares		59534937		46766599
TOTAL	113181.278	2246940352	109876.654	2301594334

Note : All Raw Material, Stores & Spares are indigenous.

* 75434.885 MT Includes 32725.000 MT used as captive consumption (Previous Year 30315.000 MT)

** 37446.393 MT Includes 2575.825 MT used as captive consumption (Previous Year 3097.182 MT)

Rathi Bars Limited

Note (3) Share Capital

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
(a) Authorised Share Capital 1,80,00,000 Equity Shares of ₹ 10 each (Previous Year : 1,80,00,000 Equity Shares of ₹10 each)	180,000,000.00	180,000,000.00
(b) Issued, Subscribed & Paid-up 1,63,30,357 Equity Shares (Previous Year : 1,63,30,357 Equity Shares) of ₹ 10 each Called-up and Fully Paid-up.	163,303,570.00	163,303,570.00
	163,303,570.00	163,303,570.00

Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Mr. Anurag Rathi is holding 6.40% (10,45,649 equity shares) of the aggregate shares in the company (Previous year : 6.40%, 10,45,649 equity shares)

Note (4) RESERVES & SURPLUS

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
RESERVES & SURPLUS		
a Profit & loss account		
Opening Balance	368,764,030	347,345,783
Add- Surplus as per Profit & loss A/C	24,363,681	21,418,247
	393,127,711	368,764,030
b Securities Premium Account	178,571,425	178,571,425
c Reserve for deferred taxes	2,558,937	2,558,937
	574,258,073	549,894,392

Note (5) Long Term Borrowing

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
a Term Loan		
Rajasthan State Industrial Development & Investment Corporation Ltd., Jaipur. (Against hypothecation of land, Building, Plant & Machineries & guaranteed by Executive Directors)	24,476,000	37,800,000
b Automobile Loans (Secured by Hypothecation of relevent Vehicle)		
HDFC Bank	855,379	2,410,104
ICICI Bank Ltd.	1,285,358	2,184,174
State Bank of Bikaner & Jaipur	4,694,679	-
BMW India Financial Services Pvt. Ltd.	5,253,123	5,990,261
c Unsecured Loans (Interest Free)		
Body Corporates & Directors	162,000	16,608,000
Security deposits	25,368,744	25,368,744
	62,095,283	90,361,283

Note (6)

Short-term borrowings (working capital limits)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Short-term borrowings (working capital limits)		
State Bank of Bikaner & Jaipur, New Delhi (Secured by hypothecation of stock & Book debts and Guaranteed by Executive Directors)	276,989,428	259,040,537
	276,989,428	259,040,537

Note (7)

Trade payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Trade payables	124,678,839	119,869,587
See Notes on Accounts- , Note-2, item 2b (i)		
	124,678,839	119,869,587

Note (8)

Other current liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Other current liabilities		
Advance received from customers	85,285,760	36,732,124
Interest accrued but not due for Payment	530,053	588,953
Statutory dues (including provident fund and tax deducted at source.)	55,989,738	49,037,597
Unclaimed share application money refunds	189,980	189,980
Other payables (including employee dues)	1,505,861	1,608,820
	143,501,392	88,157,474

Note (9)

Short-term provisions

Particulars	As at 31 March, 2014	As at 31 March, 2013
	₹	₹
Short-term provisions		
Provision for Leave Encashment	47,760	66,017
Provision for Gratuity	417,133	694,944
	464,893	760,961

Note-10
Fixed Assets

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2013 ₹	Addition ₹	Deletion ₹	As at 31.03.2014 ₹	Up to 31.03.2013 ₹	Addition ₹	Deduction ₹	Up to 31.03.2014 ₹	As at 31.03.2014 ₹	As at 31.03.2013 ₹
Leashold Land	3,921,141	-	-	3,921,141	-	-	-	-	3,921,141	3,921,141
Building	44,363,941	-	-	44,363,941	14,896,524	2,001,700	-	16,898,224	27,465,717	29,467,417
Plant & Machinery	412,929,129	40,425,885	-	453,355,014	162,626,031	21,357,052	-	183,983,083	269,371,931	250,303,098
Tubewell	222,080	-	-	222,080	184,664	3,741	-	188,405	33,675	37,416
Furniture	702,331	62,950	-	765,281	400,686	64,791	-	465,477	299,804	301,645
Vehicle	26,005,879	6,076,318	2,849,636	29,232,561	7,452,677	2,747,187	2,686,758	7,513,106	21,719,455	18,553,202
	488,144,501	46,565,153	2,849,636	531,860,018	185,560,582	26,174,471	2,686,758	209,048,295	322,811,723	302,583,919
CWIP	39,200,050	(2,955,202)	-	36,244,848	-	-	-	-	36,244,848	39,200,050
Total	527,344,551	43,609,951	2,849,636	568,104,866	185,560,582	26,174,471	2,686,758	209,048,295	359,056,571	341,783,969
Previous Year	490,423,964	40,915,039	3,994,452	527,344,551	164,987,108	21,869,919	1,296,446	185,560,581	341,783,970	325,436,856

Note (11)

Current investments

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Current investments		
Trade, Quoted:		
Equity shares	4,982,558	5,418,658
Non Trade, Unquoted:		
a Govt. Securities		
National Saving Certificates	6,045	6,045
b Mutual Funds		
- Growth Option	227,958,000	139,126,066
- Dividend Option	-	13,607,916
	232,946,603	158,158,685

Note (12)

Inventories

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Inventories		
Finished goods	92,597,820	103,676,265
Raw material	60,702,719	32,435,525
Stores & spares	5,348,620	4,062,700
Coal	563,488	-
Scrap	11,639,199	12,284,817
	170,851,846	152,459,307

Note (13)

Trade receivables

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Trade receivables		
(Unsecured and considered good unless stated otherwise)		
Outstanding for a period exceeding six months from the due date.	17,168,006	17,430,537
Other receivables	439,488,521	448,177,941
	456,656,527	465,608,478

Note (14)

Cash and cash equivalents

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Cash and cash equivalents		
a Cash in hand	1,758,484	1,697,526
b Balances with scheduled banks in current accounts		
in current account	4,785,947	15,851,487
Unclaimed share application money	189,980	189,980
b Others (Fixed Deposit -Margin Money for LC)	1,715,348	1,518,667
	8,449,759	19,257,660

Note (15)
Short-term loans and advances

Particulars	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Short-term loans and advances (Unsecured and considered good unless stated otherwise).		
a Advance recoverable in cash or in kind	84,780,356	95,959,462
b Balance with excise and other statutory authorities		
Advance Tax & TDS	28,739,958	23,718,705
Cenvat Credit Receivable	3,667,698	3,062,748
Service Tax credit receivable	1,140,310	1,404,444
Entry Tax Receivable	5,282,527	3,153,820
MAT Credit Entitlement	9,976,994	10,511,554
VAT Credit Receivable	3,440,443	4,160,285
c Security deposits	22,474,649	30,569,102
	159,502,935	172,540,120

Note (16)
Revenue from operations

Particulars	Year 2013-14 ₹	Year 2012-13 ₹
Revenue from operations		
Sale of Steel Bars	2,902,638,551	2,978,895,683
Sale of Ingots / Billets	142,047,212	164,526,715
Other operating revenues	2,244,604	6,434,800
	3,046,930,367	3,149,857,198

Note (17)
Other income

Particulars	Year 2013-14 ₹	Year 2012-13 ₹
Other income		
Interest received on deposits	12,904,768	3,309,111
Miscellaneous Receipts	781,626	884,613
Net gain on sale of current investments	9,010,519	1,227,182
	22,696,913	5,420,906

Note (18)
Cost of materials consumed

Particulars	Year 2013-14 ₹	Year 2012-13 ₹
Cost of materials consumed		
a Ingots / Billets		
Opening stock	11,999,722	18,886,201
Add: Purchases	1,349,360,392	1,377,730,664
Less: Closing stock	31,320,599	11,999,722
material consumed	1,330,039,515	1,384,617,143

b	Scrap / Sponge Iron		
	Opening stock	20,435,803	14,160,587
	Add: Purchases	866,312,217	876,485,808
	Less: Closing stock	29,382,120	20,435,803
	material consumed	(II) 857,365,900	870,210,592
	Total Material Consumed	(I + II) 2,187,405,415	2,254,827,735

Note (19)**Changes in inventories of finished goods and Scrap**

Particulars		Year 2013-14 ₹	Year 2012-13 ₹
Changes in inventories of finished goods and Scrap			
a	OPENING STOCK		
	Finished goods	103,676,265	100,737,556
	Scrap	12,284,817	3,357,305
	(I)	115,961,082	104,094,861
b	CLOSING STOCK		
	Finished goods	92,597,820	103,676,265
	Scrap	11,639,199	12,284,817
	(II)	104,237,019	115,961,082
c	(Increase) / Decrease in stocks	(I - II) 11,724,063	(11,866,221)

Note (20)**Employee benefits expense**

Particulars		Year 2013-14 ₹	Year 2012-13 ₹
Employee benefits expense			
a	contribution to provident fund and other funds	439,841	464,736
b	Employees welfare	1,098,498	539,601
c	Production contract Expenses	27,244,616	27,735,928
d	Salaries, wages, bonus & other allowances	9,250,551	10,313,076
		38,033,506	39,053,341

Note (21)**Finance costs**

Particulars		Year 2013-14 ₹	Year 2012-13 ₹
Finance costs			
Interest on :			
	Cash Credit	37,154,173	29,257,478
	Term Loan	5,312,878	4,284,679
	Others	609,859	507,174
	Bank Charges	1,506,927	1,259,811
		44,583,837	35,309,142

Rathi Bars Limited

Note (22)

Other expenses

Particulars	Year 2013-14 ₹	Year 2012-13 ₹
Other expenses		
Administrative charges	72,385	77,242
Advertisement & Selling Expenses	266,316	110,463
Auditor's fees	190,000	165,000
Books & periodicals	6,623	870
Directors salary	4,800,000	4,800,000
Donation	631,800	526,900
Freight & cartage and consignment expenses	16,350,972	14,731,402
General expenses	2,098,803	2,065,999
Generator Running Expenses	1,318,040	1,879,476
Increase / (decrease) of excise duty on inventory	242,787	4,478,661
Insurance	884,223	626,178
Keyman insurance policy	932,514	1,297,003
Legal & professional charges	1,342,875	1,892,850
Listing Expenses	119,576	123,936
Loss on sale of Vehicles	-	1,875,784
Postage expenses	117,852	110,674
Power and Fuel	287,624,052	343,063,303
Printing & stationery	535,009	497,315
Rates, taxes & fees	3,940,773	4,265,259
Rent	36,000	84,000
Repair and Maintenance:		
Plant & Machinery	1,817,879	2,791,073
Buildings	777,425	372,102
Others	710,472	1,098,179
Royalty	313,686	592,518
Sales Promotion	1,904,322	1,087,488
Security service charges	419,015	823,343
Security Transaction Tax	13,292	-
Stores and Spares Consumed	59,534,937	46,766,599
Telephone expenses	1,225,550	1,051,348
Travelling & conveyance	2,641,841	3,359,374
Vehicles repair & maintenance	3,269,701	2,622,967
	394,138,720	443,237,306

For and on BEHALF OF THE BOARD OF DIRECTORS

Sd/-

Sd/-

Kamlesh Kumar Rathi
(MANAGING DIRECTOR)

Anurag Rathi
(WHOLE TIME DIRECTOR)

For A.K. VAISH & Co.
Chartered Accountants

Sd/-

A.K. Bansal
PROPRIETOR

Place : New Delhi
Date : 06.09.2014

Membership No. 71088

RATHI BARS LIMITED
A-24/7, Mohan Co-operative Industrial Estate, New Delhi-110044

Attendance Slip	DP ID		Folio No.	
	Client ID		No. of Equity Shares Held	

I hereby record my presence at the 21st Annual General Meeting of the Company being held at the A-24/8, Mohan Co-operative Industrial Estate, New Delhi-110044 on **Tuesday, 30th day of September, 2014 at 10.00 A. M.**

Name of Shareholder
Name of the proxy-holder/ Authorized Representative (in block letters)

Signature of the Shareholder/Proxy/Authorized Representative

- Note:
1. A member/proxy/authorized representative wishing to attend the meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
 2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the meeting.

Proxy Form

21stAGM

RATHI BARS LIMITED
A-24/7, Mohan Co-operative Industrial Estate, New Delhi-110044

I/We -----
of -----being a member/members of Rathi Bars Ltd. hereby
appoint:
Shri/Smt./Km.----- of -----
or failing him Shri/Smt./Km.----- of -----
or failing him Shri/Smt./Km.----- of -----
as my/our proxy in my/our absence to attend and vote for me/our behalf at the 21st Annual General Meeting of the Company to be held on the **Tuesday, 30th day of September, 2014 at 10.00 A. M.**
Signed this ----- day of ----- 2014.

Folio No.		DP ID		Signature (s).....	Revenue Stamp
No. of Equity Shares Held		Client ID			

Note: The proxy, in order to be affective, should be duly completed, stamped and signed and must be submitted at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.

BOOK-POST
(Printed Material)

if undelivered please return to

RATHI BARS LIMITED
A-24/7, Mohan Co-op. Industrial Estate,
Mathura Road, New Delhi-110044