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Prosperity  
through  
Innovation



26<sup>th</sup> ANNUAL  
REPORT  
2013 - 14



**Ruchi**  
Strips & Alloys Ltd.

# CORPORATE INFORMATION

## Board of Directors

Mr. Kailash Chandra Shahra	-	Chairman
Mr. Umesh Shahra	-	Managing Director
Mr. Arvind Mishra	-	Director
Mr. Ashok Khasgiwala	-	Director
Mr. Navin Khandelwal	-	Director
Mr. Manish Jain	-	Director
Mr. Vijay Kumar Mahajan	-	Director
Ms. Puneet Bedi	-	Additional Director
Ms. Ishita Khandelwal	-	Additional Director
Mr. Veer Kumar Jain	-	Director (Upto 13th August, 2014)

## Company Secretary

CS Deepak Upadhyay  
(w.e.f. 29.05.2014)

## Auditors

Arun Maheshwari & Company  
8/9, Mahesh Nagar, Indore (M.P.) India

## Registered Office

611, Tulsiani Chambers,  
Nariman Point,  
Mumbai-400021 India

## Register & Share Transfer Agent

Sarthak Global Limited  
170/10, Film Colony,  
R.N.T. Marg, Indore (M.P.) India

## Bankers

State Bank of India  
Dena Bank  
The Jammu & Kashmir Bank Ltd.  
United Bank of India  
Allahabad Bank

## Contents

Notice	1
Directors` Report	9
Management Discussion & Analysis	11
Corporate Governance Report	12
<b>Standalone Financial Statement</b>	
Auditors` Report	18
Balance Sheet	22
Statement of Profit and Loss	23
Cash Flow Statement	24
Notes	25
<b>Consolidated Financial Statements</b>	
Auditors` Report	37
Balance Sheet	38
Statement of Profit and Loss	39
Cash Flow Statement	40
Notes	41
Statement Under Section 212(8)	56

**NOTICE**

NOTICE is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Thursday, the 25<sup>th</sup> day of September, 2014 at 11:30 A.M. at Sunvile Deluxe Pavilion, Sunvile Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018 to transact the following business;

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss for the year ended 31st March, 2014 together with the Report of Directors & Auditors thereon.
2. To appoint a Director in place of Mr. Manish Jain, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company :

**“RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. Arun Maheshwari & Co., Chartered Accountants, Indore (Firm Registration No.0870C), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Next Annual General Meeting of the Company at such remuneration plus service tax, out-of-pocket expenses, travelling expenses, etc., as may be mutually agreed between the Managing Director of the Company and the Auditors.”

**SPECIAL BUSINESS:**

4. Appointment of Mr. Vijay K. Mahajan as an Independent Director.

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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Vijay K. Mahajan, (holding DIN: 01367496) Director of the Company whose period of office is liable to determine by retirement of Directors by rotation and in respect of whom the Company has received notice in writing from a Member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, who will not be liable to retire by rotation and holds office for five consecutive years for a term upto 31st March, 2019;

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

5. Appointment of Mr. Navin Khandelwal as an Independent Director.

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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Navin Khandelwal, (holding DIN: 00134217) Director of the Company, who retires by rotation at the Annual General Meeting and in respect of whom the Company has received notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, who will not be liable to retire by rotation and holds office for five consecutive years for a term upto 31st March, 2019;

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

6. Appointment of Ms. Ishita Khandelwal as an Independent Director.

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 149 152 and 160 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Act, Ms. Ishita Khandelwal (holding DIN 06932629), who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Ms. Ishita Khandelwal for the office of the Director of the Company, the consent of the Members of the Company be and is hereby accorded to appoint Ms. Ishita Khandelwal as a Non-executive Independent Woman Director for a period of five consecutive years w.e.f. 25th September, 2014 whose period of office shall not be liable to retire by rotation;

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

7. Appointment of Ms. Puneet Bedi as an Independent Director.

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 149, 152 and 160 and any other applicable provisions of the Companies Act, 2013 and any rules made thereunder read with Schedule IV to the Act, Ms. Puneet Bedi (holding DIN 02178816), who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Ms. Puneet Bedi for the office of the Director of the Company, the consent of the

Members of the Company be and is hereby accorded to appoint Ms. Puneet Bedi as a Non-executive Independent Director for a period of five consecutive years w.e.f. 25th September, 2014 whose period of office shall not be liable to retire by rotation;

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

8. Re-appointment of Mr. Umesh Shahra as a Managing Director.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013 and subject to approval of Central Government, if any, the consent of the Members be and is hereby accorded to the re-appointment of and terms of remuneration payable to Mr. Umesh Shahra (holding DIN:00061312) as Managing Director for the period from 1st October, 2014 to 30th September, 2017, who is not liable to retire by rotation and upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Directors of the Company to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Umesh Shahra;

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

9. Approval under Section 180 (1) (C) Of Companies Act, 2013 to borrow money from Banks, Financial Institutions or elsewhere

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

**“RESOLVED THAT** in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the Annual General Meeting of the Company held on 29th September, 2005 and pursuant to provisions of Section 180 (1) (c) and other applicable provisions of the Companies Act, 2013, the approval of the Members be and is hereby accorded to raise or borrow money in excess of aggregate of paid up capital and free reserves of the company but not exceeding Rs. 500 Crores (Rupees Five Hundred Crores) at any moment of time from Banks, Financial Institutions or elsewhere on such terms and conditions as to repayment, interest or otherwise, as it thinks fit, such sums as may be necessary for the purpose of the Company and that such borrowings shall be exclusive of temporary loans obtained or to be obtained by the Company in the ordinary course of business;

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company, be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

10. Approval for creation of charge/mortgage on property of the Company u/s 180 (1) (a) of the Companies Act, 2013.

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

**“RESOLVED THAT** in supersession of the resolution passed under Section 293(1)(a) of the Companies Act, 1956 at the Annual General Meeting of the Company held on 29th September, 2005 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, the approval of the Members be and is hereby accorded to the Board of Directors for mortgaging and /or charging by first/ second charge or in such other form or manner and with such ranking and at such time and on such terms as the Board may determine, of all moveable and / or immovable properties of the company, where-so-ever situated, both present and future and / or the whole of the undertaking (s) of the Company together with the power to takeover the management of the business and concern of the Company in certain events, to or in favour of the banks, Financial Institutions, any other lenders for securing the Financial facilities /borrowings of the Company.”

11. Approval of material related party transactions under Clause 49 of the Listing Agreement.

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

**“RESOLVED THAT** pursuant to the clause 49 VII (E) of the Listing Agreement, the approval of the Members be and is hereby accorded in respect of material related party transaction(s) for sale or purchase of goods or for providing/ availing of services between the Company and RSAL Steel Private Limited (a wholly owned subsidiary) upto the limit of Rs. 100 Crores for each year in the ordinary course of business and on arm's length basis for the Financial Year 2014-15, 2015-16 and 2016-2017.”

12. Approval of material related party transactions under Clause 49 of the Listing Agreement.

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

**“RESOLVED THAT** pursuant to the clause 49 VII (E) of the Listing Agreement, the approval of the Members be and is hereby accorded in respect of material related party transaction(s) for sale or purchase of goods or for providing/ availing of services between the Company and Indian Steel Corporation Limited upto the limit of Rs. 100 Crores for each year in the ordinary course of business and on arm's length basis for the Financial Year 2014-15, 2015-16 and 2016-2017.”

**By order of the Board of Directors  
For Ruchi Strips & Alloys Limited**

Indore,  
dated 13<sup>th</sup> August, 2014

CS Deepak Upadhyay  
Company Secretary

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total Share capital of the Company.
2. The relevant details as required by Clause 49 of the Listing Agreement, of persons seeking appointment/ re-appointment as Directors are also annexed.
3. Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2014 to 25th September, 2014 (both days inclusive).
4. Members who attend the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting hall.
5. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February, 2011 and 21st February, 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.
6. The Annual Accounts of the Subsidiary Company and the related detailed information shall be made available to shareholders of the holding Company i.e. Ruchi Strips and Alloys Limited on demand. The accounts of the subsidiary company shall also be available for inspection by any shareholder at the Registered Office of the Company and of the wholly owned Subsidiary Company.
7. In compliance to Section 20 of the Companies Act, 2013 & Listing Agreement Clauses, Ministry of Corporate Affairs permits service of documents by electronic mode to Members /shareholders. Members wish to avail this service register their e-mail address with the Company by sending a consent letter to Company Secretary at 611, Tulsiani Chambers, Nariman Point, Mumbai / Registrar and Transfer Agent – Sarthak Global Limited 170/10, Film Colony, Indore (MP), this information is only for those share holders, who have not registered their e-mail ID.
8. **In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the Rules), the Items of Business given in the AGM Notice dated 13th August, 2014 may be transacted through e-voting facility to the Members as on 14th August, 2014 (being the Record Date fixed for the purpose to exercise their rights to vote at the 26th Annual General Meeting (AGM) by electronic means through e-voting platform provided by Central**

**Depository Services (India) Limited. The process of e-voting shall be as follows :**

**(A) In case of members receiving e-mail:**

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

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/DP are requested to use the first two letters of their name in CAPITAL followed by the last 8 digits of their demat account number/Folio No., as the case may be, in the PAN field.</li> <li>• In case the Folio No. is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and Folio No. / Bo. Id. is 1 then enter RA00000001 in the PAN field.</li> </ul>
Date of Birth or Date of Incorporation	Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account in dd/mm/yyyy format or enter Folio No.
OR	OR
Bank Account Number	Enter the Bank Account Number as recorded in your demat account or in the Company's records for the said demat account or Folio No.
	Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or the Company, please enter the number of shares held in the Bank Account Number field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for Ruchi Strips and Alloys Limited to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**(B) In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

**General Instructions:**

- i) The voting period begins on Friday, 19th September, 2014 at 10.00 a.m and ends on Saturday, 20th September, 2014 at 6.00 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 14th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- iii) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date (record date) **14th August, 2014**.
- iv) Members can also download the Notice of the Meeting at [www.ruchistrips.com](http://www.ruchistrips.com) for exercising their e-voting rights.
- v) The Board of Directors has appointed Anish Gupta & Associates (Company Secretaries Firm) Mumbai as Scrutinizer for conducting the e-voting.
- vi) At the end of the voting period Scrutinizer will download the entire voting data using its scrutinizer login.
- vii) The Scrutinizer will submit his final report as soon as possible after the last date of receipt for e-voting but not later than closing of the business hours on **22nd September, 2014**.
- viii) The Chairman of the Meeting shall announce the result of e-voting at the Annual General Meeting to be held at Sunvile Deluxe Pavilion, Sunvile Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400018 on Thursday the 25th day of September, 2014 at 11:30 A.M..

**Important Note:**

**As Ruchi Strips and Alloys Limited, being a listed Company and having more than 1000 shareholders, is compulsorily required to provide e-voting facility to members in terms of Section 108 of the Act read with Rule 20 of the Companies (Management & Administrations) Rule, 2014 and Clause 35B of the Listing Agreement, voting by show of hands will not be available to the Members at the 26th Annual General Meeting in view of the further provisions of Section 107 read with Section 114 of the Act.**

Relevant documents referred to in the Notice or in the accompanying Explanatory Statement are open for inspection to the Members at the registered office of the Company during business hours on all working days upto

### Information provided as per Clause 49 IV(G) (i) of the Listing Agreement

The following are the details of Directors seeking re-appointment or recommended to be appointed as a Director at the Annual General Meeting

Particulars	Mr. Manish Jain	Mr. Vijay K. Mahajan	Mr. Navin Khandelwal
Date of Birth	29/12/1967	01/02/1952	22/04/1973
Qualifications	B.Sc., LLB (Hons.), FCS & ACIS (UK)	B.Sc., Engg. (Production) Hons.	C. A.
Directorships held in other Public Companies (excluding foreign Companies and Section 25 Companies)	NIL	RSAL Steel Private Limited	National Steel & Agro Industries Limited Indian Steel Corporation Limited Indian Steel SEZ Limited Ruchi Soya Industries Limited Madhya Pradesh Stock Exchange Limited
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Shareholders / Investors Grievance Committee)	NIL	Audit Committee RSAL Steel Private Limited	Audit Committee National Steel & Agro Industries Limited Indian Steel Corporation Limited Ruchi Soya Industries Limited
Number of Shares held in Company	NIL	NIL	NIL

Particulars	Ms. Ishita Khandewal	Ms. Puneet Bedi	Mr. Umesh Shahra
Date of Birth	22/07/1990	13/10/1972	07/06/1963
Qualifications	B. Com, CA Final	MBA	B. Pharma (Hons.) PGDB (IIMA)
Directorships held in other Public Companies (excluding foreign Companies and Section 25 Companies)	RSAL Steel Private Limited	Nil	Indian Steel Corporation Limited Ruchi Corporation Limited Ruchi Global Limited Ruchi Acroni Industries Limited Ruchi Infotech Limited RSAL Steel Private Limited Cold Rolled Steel Manufactures Association of India Indian Infrastructure Corporation Limited
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Shareholders / Investors Grievance Committee)	Audit Committee RSAL Steel Private Limited	Nil	Audit Committee RSAL Steel Private Limited Indian Steel Corporation Limited
Number of Shares held in Company	NIL	NIL	NIL

**Registered Office:**  
611, Tulsiani Chambers,  
Nariman Point,  
Mumbai – 400 021  
MAHARASHTRA

**By order of the Board of Directors  
For Ruchi Strips & Alloys Limited**

Indore,  
dated 13th August, 2014

**CS Deepak Upadhyay  
Company Secretary**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")****Item No. 4**

Mr. Vijay Kumar Mahajan (DIN – 1367496) was appointed as an additional Director dated 30th September, 2008, subsequently he was appointed as a Director liable to retire by rotation on the Board of Ruchi Strips and Alloys Limited by the Members at the Annual General Meeting w.e.f. 30th September, 2009 and is continuing as an independent director. Mr. Mahajan has held the position as such for around 5 (five) years.

In view of enforcement of Companies Act, 2013 in place of the Companies Act, 1956 various new provisions have been introduced in regard to the appointment of Independent Directors on the Company.

Pursuant to Section 149, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and all other relevant provisions and that of listing agreement, the Board of Directors of the Company proposed the name of Mr. Vijay Kumar Mahajan for appointment as an Independent Director of the Company for a consecutive period of five years for a term upto 31st March, 2019 and will not be liable to retire by rotation.

Mr. Vijay Kumar Mahajan aged about 62 years is a Human Resource consultant. He is an Advisor to AFL Pvt Ltd, Artheon Group & Venure Infotek, He has set up HR systems in a wide array of industries spanning from Advertising, Logistics, manufacturing, FMCG to new age industries, Search Marketing, transaction processing & travel. He was earlier a founder member of Hunt Partner, a CXO level search Company. Mr. Vijay Kumar Mahajan was earlier Head of Group Corporate HR of AFL, one of the largest service sector groups' in India. Prior to that he worked in Escorts and Larsen & Toubro. In L&T, he rapidly rose to the position of Head of Corporate Human Resources.

He has been a Member of the Executive Board of the National HRD Network and is currently Member of the National Council of Indian Society for Training and Development. He is a trained Assessor & has conducted Assessment & Development Centers in many reputed companies. He is a regular invitee to the Board of Selections for senior recruitments in business organizations, PSUs & universities.

On the basis of his long experience and positions held at various levels, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively. He is also the Chairman of the Company's Remuneration Committees.

He holds directorship and membership of Audit & Remuneration Committee of RSAL Steel Private Limited. He is also Director of Nine Rivers Capital Holdings Private Limited. Further he is not holding any shares of the Company. It may be noted that Mr. Mahajan is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

The Board of Directors recommends the resolution set out in item No. 4 for the approval of the shareholders as an Ordinary Resolution. Copy of the consent letter, Schedule IV Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day upto the date of the Meeting. None of the Directors except Mr. Vijay Kumar Mahajan (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have

any interest financial or otherwise in the said resolution.

**Item No. 5**

Mr. Navin Khandelwal (DIN – 00134217) was appointed as an additional Director dated 10th May, 2008, subsequently, he was appointed Director liable to retire by rotation on the Board of Ruchi Strips and Alloys Limited by the Members at the Annual General Meeting w.e.f. 30th September, 2008 and is continuing as independent Director. Mr. Khandelwal has held the position as such for more than 5 (five) years.

In view of enforcement of Companies Act, 2013 in place of the Companies Act, 1956 various new provisions have been introduced in regard to the appointment of Independent Directors on the Company.

Pursuant to Section 149, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and all other relevant provisions and that of listing agreement, the Board of Directors of the Company proposed the name of Mr. Navin Khandelwal for appointment as an Independent Director of the Company for a consecutive period of five years for a term upto 31st March, 2019 and will not be liable to retire by rotation.

Mr. Navin Khandelwal aged 41 years is practicing Chartered Accountant since 1997 and also a qualified Information System Auditor from ICAI, New Delhi. At present he is heading a Chartered Accountant firm in Indore as a senior partner and looking after its operations. He is having rich experience in the field of Management Assurance Services, Bank Audit System Development and development of MIS.

He was involved in Training Program of ISA (Information System Audit Course) conducted by ICAI for its Members and also a visiting faculty in MBA Institutes in Indore. He has presented a preparatory paper on Foreign Currency Loan in All India Conference held in Indore and various articles were published in souvenirs which are released during conferences.

On the basis of his experience in the field of Audit and Management, the Board of Directors is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively. He is also the Chairman of the Company's Audit Committees. He also holds directorship and membership of Audit Committee of National Steel & Agro Industries Limited, Indian Steel Corporation Limited and Ruchi Soya Industries Limited and directorship in Indian Steel SEZ Limited and Madhya Pradesh Stock Exchange Limited. He is not holding any shares of the Company. It may be noted that Mr. Khandelwal is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

The Board of Directors recommends the resolution set out in item No. 5 for the approval of the shareholders as an Ordinary Resolution. Copy of the consent letter, Schedule IV Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day upto the date of the Meeting. None of the Directors except Mr. Navin Khandelwal (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

**Item No.6**

The Board of Directors of the Company appointed pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Ishita Khandelwal (holding DIN-06932629) as an Additional Director of the Company with effect



from 13th August 2014. In terms of the provisions of Section 161(1) of the Act, Ms. Ishita Khandelwal holds office only up to the date of ensuing Annual General Meeting of the Company. Pursuant to Section 149, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, the Board of Directors of the Company proposed the name of Ms. Ishita Khandelwal for appointment as an Independent Director of the Company for a period of five years from 25th September, 2014 to 24th September, 2019 for its first term not liable to retire by rotation.

Ms. Ishita Khandelwal aged 24 years is Graduate in Commerce and she is having good knowledge of Accounts and Taxation. She worked with a reputed firm M/s Mahesh C. Solanki & Company, Chartered Accountants in Indore. She has undertaken Professional Skills Development Training at the Centre of Excellence, Hyderabad. She has also undertaken General Management and Communication Skills (GMCS) at the Institute of Chartered Accountant of India.

On the basis of her knowledge and experience in the field of Accounts and Audit, the Board of Directors is of the opinion that she possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively. She is an additional Director and member of Audit and Remuneration Committee of RSAL Steel Private Limited. She is not holding any shares of the Company. It may be noted that Ms. Ishita Khandelwal is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

The Board of Directors recommends the resolution set out in item No. 6 for the approval of the shareholders as an Ordinary Resolution. Copy of the consent letter, Schedule IV Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the Meeting. None of the Directors except Ms. Ishita Khandelwal (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

#### Item No. 7

The Board of Directors of the company appointed pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company Ms. Puneet Bedi (holding DIN-02178816) as an Additional Director of the Company with effect from 13th August 2014. In terms of the provisions of Section 161(1) of the Act, Ms. Puneet Bedi holds office only up to the date of ensuing Annual General Meeting of the Company. Pursuant to Section 149, 152 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and the Articles of Association of the Company and all other relevant provisions and that of listing agreement, the Board of Directors of the Company proposed the name of Ms. Puneet Bedi for appointment as an Independent Director of the Company for a period of five years from 25th September, 2014 to 24th September, 2019 for its first term not liable to retire by rotation.

Ms. Puneet Bedi aged 42 years is Post Graduate in Business Administration with over 18 years experience in entrepreneurial environments. Presently she is Director of TIN Craft Private Limited. Earlier, she was Vice-president of Indian Steel Summit Private Limited. (Indian Steel Summit Private Limited is wholly owned subsidiary of Sumitomo Corporation, Japan, which is one of the largest General Trading Company of Japan). She has also liaised and conducted due-diligence for the acquisition of JV with Indian Company by large Japanese MNC. She was also associated with

PGD Components Ltd (the Company is Tier-1 supplier of precision metal parts to Leading Appliances & Automotive OEMs) for nine years. Earlier, she was also Brand Management executive in Ranbaxy Laboratories Ltd.

On the basis of her all-around experience in the field of Marketing, Management and Business Development and Corporate Planning & Strategy, the Board of Directors is of the opinion that she possesses appropriate balance of skills, experience and knowledge for being appointed as an independent director on the Board of the Company and enable the Board to discharge its function and duties effectively.

She is not holding any shares of the Company. It may be noted that Ms. Puneet Bedi is not disqualified from being appointed as Director in terms of Section 164 and has given a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 to act as an Independent Director of the Company.

The Board of Directors recommends the resolution set out in item No. 7 for the approval of the shareholders as an Ordinary Resolution. Copy of the consent letter, Schedule IV of the Code for Independence Directors and other relevant documents are open for inspection at the Registered Office of the Company during business hours on any working day prior to the date of the Meeting. None of the Directors except Ms. Puneet Bedi (whose interest is only to the extent of appointment as an Independent Director), Key Managerial Personnel or relatives of Directors or Key Managerial personnel have any interest financial or otherwise in the said resolution.

#### Item No. 8

Mr. Umesh Shahra was re-appointed as Managing Director w.e.f 1st October, 2011 for a period of three years and his term as Managing Director comes to end on 30th September, 2014. Mr. Umesh Shahra has done PGDBM from IIM, Ahmedabad and B.Pharm from BITS, Pilani. Keeping in view his expertise, untiring effort, managerial and leadership skills and having regard to his guidance and foresight. The Board of Directors at their Meeting held on 13th August, 2014 have re-appointed Mr. Umesh Shahra as Managing Director of the Company for a period of 3 years w.e.f. 1st October, 2014 subject to the approval of Central Government and the Members of the Company as per following terms and conditions :

Basic Salary: Rs.1,50,000/- per month  
Perquisites:

- i) Medical reimbursement – Equal to one month's salary in a year.
- ii) Leave Travel Concession – For self, wife and dependent children, once in a year to and from any place in India on actual basis subject to a ceiling of one month's salary in a year.
- iii) Club fees – Fees of clubs on actual basis excluding admission and life membership fees.
- iv) Personal Accident Insurance – Actual premium on Personal Accidental Insurance.
- v) Provision of car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
- vi) Contribution to Provident Fund, Superannuation or Annuity fund.
- vii) Payment of Gratuity at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure shall not be included in the computation of limits of the remuneration or perquisites aforesaid.

Other terms and conditions of Mr. Umesh Shahra, as Managing Director of the Company will be as per the agreements entered into between the Company and the Managing Director. This Agreement is available for inspection at the registered office of the Company during the office hours on all working days during the business hours upto the date of Annual General Meeting of the Company.

Mr. Umesh Shahra is also Managing Director of Indian Steel Corporation Limited engaged in same line of business. He has given a major contribution in the growth of Indian Steel Corporation Limited. He was appointed as Managing Director of the Company with unanimous consent of Board of directors. His remuneration from both the Companies may be beyond the maximum ceiling of the one of these Companies as permissible in accordance with the provisions of section II & III of part of Schedule V of the Companies Act, 2013 and hence, the Company may apply to take Central Government approval for giving the remuneration in the Ruchi Strips and Alloys Limited, if required.

The re-appointment of Mr. Umesh Shahra, if made, will be subject to approval of Central Government and approval of Members by way of Special Resolution for re-appointment as per the provision of Sec.196 and 197 of the Companies Act, 2013. The explanatory statement together with the accompanying notice should be treated as an abstract of terms of contract of appointment of the Managing Director.

The Board of Directors recommends the resolution set out in item No. 8 for the approval of the shareholders as a Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives except Mr. Umesh Shahra, Mr. Kailash Shahra being father of Mr. Umesh Shahra and their relatives are in any way, financially or otherwise, concerned or interested in the said resolution.

#### Item No. 9

As per section 293(1)(d) of the Companies Act, 1956, the Members of the Company vide Annual General Meeting held on 29th day of September, 2005, authorized the Board of Directors by way of Ordinary Resolution to borrow money in excess of aggregate of paid up capital and free reserves of the company but not exceeding Rs. 500 Crores (Rupees Five Hundred Crores) at any moment of time. Now, with the coming into effect of the provisions of section 180(1)(c) of the Companies Act, 2013, consent of the Members of the Company by way of special resolution is required to enable the Board to exercise the above power.

The Board of Directors recommends the resolution set out in item No. 9 for the approval of the shareholders as a Special Resolution.

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

#### Item No. 10

As per section 293(1)(a) of the Companies Act, 1956, the Members of the Company vide Annual General Meeting held on 29th September, 2005, authorized the Board of Directors by way of Ordinary Resolution to create charge/mortgage on the assets of the company in favour of Banks/Financial Institutions.

Now, with the coming into effect of the provisions of section 180(1)(a) of the Companies Act, 2013, consent of the Members of the Company by way of special resolution is required to enable the Board to exercise the above power.

The Board of Directors recommends the resolution set out in item No. 10 for the approval of the shareholders as a Special Resolution.

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

#### Item No. 11 & 12

The Securities and Exchange Board of India vide its Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 has amended the Clause 49 (VII) of the Equity Listing Agreement with effect from October 1, 2014. Further, SEBI has also given the option to Companies who wish to comply prior to October 1, 2014 to do so. Under the said amendment, all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the shareholders by a Special Resolution. The said amendment further provides for definition of the term 'Material' as follows:

"A transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the net worth of the company as per the last audited financial statements of the company, whichever is higher."

As a part of its regular business, the Company purchases and sales or does the business with RSAL Steel Private Limited ( a wholly owned subsidiary Company) and Indian Steel Corporation Limited in the ordinary course of business at arm's length basis from time to time. For the Financial Year 2014-15, 2015-16 and 2016-17 ("on-going transaction"), such sale/purchase is estimated to the tune of 100 Crore for each year, each company.

As a proactive compliance of the said amendment, the Audit Committee of the Board of Directors of the Company reviewed the on-going transaction and approved the same in their Meeting held on 13th August, 2014. The Board of Directors, also, in their Meeting held on 13th August, 2014, reviewed the on-going transaction in detail and proposed the same to be placed before the shareholders for their approval.

The Board of Directors recommends the resolutions set out in item No. 11 & 12 for the approval of the shareholders as a Special Resolution.

Umesh Shahra being Managing Director, Kailash Shahra being his father & their relative may deem to be concerned or interested in the said resolutions.

Except above no Director, Key Managerial Personnel, or their relatives are in any way, concerned or interested, financial or otherwise in the said resolutions.

**By order of the Board of Directors  
For Ruchi Strips & Alloys Limited**

**Registered Office:  
611, Tulsiani Chambers,  
Nariman Point,  
Mumbai – 400 021  
MAHARASHTRA**

**Indore,  
dated 13<sup>th</sup> August, 2014**

**CS Deepak Upadhy  
Company Secretary**

## DIRECTORS' REPORT

To,  
The Members

Your Directors have pleasure in presenting 26th Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March 2014.

<b>1. OPERATIONAL PERFORMANCE</b>	<b>[Rs. in lacs]</b>	<b>[Rs. in lacs]</b>
<b>Financial Results</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	(12 Months)	(18 Months)
Sales & Other Income	27648.84	55478.03
Gross Profit / (Loss)	90.84	922.46
Depreciation and Financial charges	15.81	693.01
Profit/ (Loss) before tax	75.03	229.45
Provision for Tax	25.56	45.91
Deferred Tax (Assets) / Liabilities	73.09	64.59
Profit/(Loss) after Tax	(23.62)	118.95
Exceptional items	4.30	0.00
Profit after exceptional items	(19.32)	118.95

Your company is engaged only in trading activities of various products including steel and agro commodities. Your company recorded a turnover of Rs. 27554.61 Lacs for the year ended 31st March, 2014 as compared to Rs. 55327.08 Lacs in the previous eighteen months and net loss of Rs. 19.32 Lacs as compared to Profit of Rs. 118.95 Lacs in the previous eighteen months. However, the Company is exploring various other business opportunities so that margin can be improved.

### 2. SUBSIDIARY COMPANY

The Company is having a wholly owned subsidiary Company viz. RSAL Steel Private Limited which is engaged in manufacturing and trading of HR Coils, CRCA and other steel products. The Consolidated financial statements presented by the Company include the financial results of its Subsidiary Company. Further, a statement containing the particulars prescribed by general circular issued by Ministry of Corporate Affairs, Government of India for Company's subsidiaries is also forming part of the Consolidated financial statements.

### 3. DIVIDEND

Your Directors express their inability to recommend any dividend for the period under review, due to the need for conserving funds.

### 4. DIRECTORS

- (i) Mr. Veer Kumar Jain resigned from the Directorship w.e.f. 13th August, 2014. Your Directors place on record their appreciation for guidance given by him during his period.
- (ii) The Board of Directors appointed Ms. Puneet Bedi and Ms. Ishita Khandelwal as additional Directors of the Company w.e.f. 13th August, 2014. They are also proposed to be appointed as Independent Directors in ensuing Annual General Meeting.
- (iii) Mr. Umesh Shahra re-appointed as a Managing Director of the Company w.e.f. 1st October, 2014 for a period of three year subject to approval of Central Government, if required and Members.
- (iv) Mr. Manish Jain, Director retires by rotation in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company and being eligible, offers himself for re-appointment.

### 5. CORPORATE GOVERNANCE

Corporate Governance Report is enclosed as part of Directors' Report.

### 6. FIXED DEPOSITS

During the Financial Year, Company has accepted deposits in accordance with provisions of Section 58A of the Companies Act, 1956 and rules made there under. The Company has also complied the provisions of Sec.74 of the Companies Act, 2013 and rules made thereunder.

## 7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956, the Board confirms:

- (i) That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records 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 have prepared the Annual Accounts on a going concern basis.

## 8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo are nil during the period under review.

## 9. AUDITORS

M/s Arun Maheshwari & Co., Chartered Accountants, Auditors of the Company hold office upto the conclusion of forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Your board recommends their re-appointment.

## 10. AUDITOR'S REPORT

Report of the Auditors and their observations on the Accounts of the Company for the year under review is self-explanatory.

## 11. LISTING AT STOCK EXCHANGES

The Company's Equity Shares continues to be listed on Bombay Stock Exchange Limited (BSE).

## 12. MD & CFO CERTIFICATION

The Board of Directors have received certificate from Managing Director and CFO under Clause 49(v) of listing agreement.

## 13. PARTICULARS OF EMPLOYEE'S

None of the employee of the company was paid remuneration in excess of the limit. Therefore, the particulars of employees, as required by the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employee) Rules, 1975, as amended by the Companies (Amended) Act, 1988 are nil.

## 14. INDUSTRIAL RELATIONS

Relations with the employees continued to remain cordial throughout the year. Your Directors wish to place on record their appreciation for sincere and dedicated services rendered by the executives, staff and workers at all levels.

## 15. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the sincere co-operation extended by the shareholders, Bankers and all other Government Agencies in carrying out the business of the Company.

**By order of the Board of Directors**

**Kailash Chandra Shahra**  
Chairman

Place: Indore

Date: 13<sup>th</sup> August, 2014

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry Structure and Development:

Your Company is engaged in trade in various products including steel and agro commodities after transferring the Steel Division of the Company to its wholly owned subsidiary Company namely, RSAL Steel Private Limited. Also, the Company is exploring various other business opportunities but looking to the uncertainty in economy the decision for other activities will be taken at appropriate time after streamline of economy.

### Industry Outlook:

Year 2013-14 witnessed with a slowdown in Developing & Emerging markets. In the domestic market, growth continued to be muted with the second successive year. The GDP Growth is 5% in 2013-14 as compared to last year 4.8%. The year saw steep currency depreciation in an environment, where industrial activity remained in contraction mode. With sluggish growth across the larger economy, further compounded by high consumer inflation and weak sentiment, market growth moderated throughout the year in both volume and value terms.

### Risk & Concerns:

During the last year the economy growth as well as market condition were affected adversely mainly delay in policy decision by Govt. as well as high depreciation of rupee in comparison of US Dollar. Due to this, market was very uncertain and industrial production growth was negligible or negative. All infrastructure projects halted in mid due to various reason i.e. non clearances of environment as well as problem in acquisition of land desired. Which impacted the overall business of the company and desired results were not achieved. Due to high volatility and uncertainty in economy resulted in low profitability in trading activities.

High Volatility and slowdown in infra structure project, the growth and profitability in trading activities is affecting the same.

### Internal Control Systems and Adequacy:

The company as well as its wholly owned subsidiary has good internal control systems, the adequacy of which has also been reported by its auditors in their report as required under the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India. Adequate system of internal control is in place of which assures us of:

- Proper recording and safeguarding of assets.
- Maintaining proper accounting record and reliability of financial information.
- Review the process of identification and management of Business Risks

### Environment Management System:

The company and its wholly owned subsidiary are committed to demonstrate continual improvement in our environmental performance in line with corporate values and stakeholder's expectations.

### Development in Human Resources and Industrial Relation:

The Industrial relations climate of the company and its wholly owned subsidiary continues to remain harmonious and cordial with focus on improving productivity quality and safety.

### Financial and Operating Performance:

During the period under review, the sales and other income was Rs.27648.84 Lacs and gross profit was Rs.90.84 Lacs.

### SEGMENT-WISE PERFORMANCE:

During the year the year company was engaged in trading activities therefore no separate segment for reporting.

Statements in this "Management Discussion Analysis" describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the company's operation include change in availability of trading material, changes in government regulations, tax regimes, economic developments in India and the countries in which the Company conduct business and other incidental factors.

## CORPORATE GOVERNANCE REPORT

### INTRODUCTION

Ruchi Strips and Alloys Limited (RSAL) has always believed in fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and others. We have always aimed to build trust with shareholders, employees, customers, suppliers and diverse stakeholders and to meet expectations of various elements of corporate environment. We believe in transparent and fair corporate actions with adequate disclosure and total accountability.

RSAL has been discharging its statutory obligations and duties and has always complied with statutory and regulatory requirements. Given below are the Company's Corporate Governance policies and practices in accordance with the provisions of Clause 49 of the Listing Agreement.

A report on implementation of the Corporate Governance Code of the Listing Agreement by the Company is furnished below:-

#### 1. Company's Philosophy on Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long term shareholder value and enhances interest of other stake holders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

2. RSAL Board presently consists of a majority of Non-Executive/Independent Directors, many of whom are acknowledged as leading professionals in their respective fields. The Board comprises of One (1) Executive Director, Two (2) Non-Executive Directors, Four (4) Independent Directors and one (1) Professional Director.

Name of Director	Executive / Non-Executive / Independent	No. of other Directorship <sup>1</sup> (Chairman)	Membership of other Board Committees (Chairman)
Mr. Kailash Chandra Shahra	Non-Executive	5(3)	1(1)
Mr. Arvind Mishra	Non-Executive	2	1
Mr. Umesh Shahra	Executive	8	3(1)
Mr. Ashok Khasgiwala	Professional	-	-
Mr. Veer Kumar Jain*	Independent	1	-
Mr. Navin Khandelwal	Independent	5	4 (3)
Mr. Manish Jain	Independent	-	-
Mr. Vijay Kumar Mahajan	Independent	1	1(1)

\*Mr. Veer Kumar Jain resigned from the Board w.e.f. 13th August, 2014

<sup>1</sup>This includes directorship held in Public Limited Companies and subsidiaries of Public Limited Companies and excludes directorship held in Private Limited Companies, Section 25 Companies of the Companies Act, 1956 and Foreign Companies.

Details of Directors seeking re-appointment or recommended to be appointed as a Director at the Annual General Meeting as per clause 49 IV (G) (i) of the Listing Agreement is given in Notice.

#### Attendance of Directors in Board Meetings and Annual General Meeting

The Board of the Company met five times during the last Financial Year, 2013-14, on the following dates:

- (1) 30th May, 2013      (2) 9th August, 2013      (3) 14th September, 2013  
(4) 9th November, 2013      (5) 8th February, 2014

The attendance of the Board Meeting and Annual General Meeting are as under:

Name of Director	Attendance	
	Board Meeting	Annual General Meeting
Mr. Kailash Chandra Shahra	3	x
Mr. Umesh Shahra	5	√
Mr. Arvind Mishra	5	√
Mr. Ashok Khasgiwala	3	√
Mr. Veer Kumar Jain	0	x
Mr. Navin Khandelwal	4	√
Mr. Manish Jain	4	√
Mr. Vijay Kumar Mahajan	5	√

### 3. Remuneration to Directors

a. During the Financial Year, 2013-14, the particulars of remuneration paid to Mr. Umesh Shahra, Managing Director is as follows:

Sr. No.	Particulars of remuneration	Mr. Umesh Shahra
1.	Salary	18,00,000
2.	Contribution to Provident Fund	2,16,000

b. During the Financial Year 2013-14 sitting fees paid to Non-Executive Directors amounted to 1,45,000/-

### 4. Audit Committee

Audit Committee met four times during the Financial Year 2013-14. The dates are as follows:-

- (1) 29th May, 2013      (2) 8th August, 2013  
(3) 8th November, 2013      (4) 6th February, 2014

The constitution of the Committee and the attendance of each Member of the Committee during Financial Year 2013-14 are given below:-

Name	Designation	Non-Executive / Independent	Profession	Committee Meetings Attended
Mr. Navin Khandelwal	Chairman	Independent Director	Chartered Accountant	4
Mr. Ashok Khasgiwala	Member	Professional Director	Chartered Accountant	3
Mr. Veer Kumar Jain	Member	Independent Director	Advocate	0
Mr. Manish Jain	Member	Independent Director	Practicing Company Secretary	3

The terms of reference of the Audit Committee includes the following:

- To hold periodic discussion with Statutory Auditors and Internal Auditors of the Company concerning accounts of the Company, internal control systems, scope of audit and observations of the Auditors/Internal Auditors;
- To review compliance with internal control systems;
- To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- To investigate into any matter in relation to items specified in Section 292A of the Companies Act, 1956 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice, if necessary;
- To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report.

### 5. Share Transfer & Investors Grievance Committee

Share Transfer & Investor Grievance Committee met three times during the Financial Year 2013-14. The dates are as follows:-

- (1) 17th April 2013      (2) 30th July 2013      (3) 13th January 2014

The constitution of the Committee during Financial Year 2013-14 is given below:-

Name	Designation	Executive / Non-Executive/Independent
Mr. Manish Jain	Chairman	Independent Director
Mr. Arvind Mishra	Member	Non-Executive Director
Mr. Veer Kumar Jain	Member	Independent Director

The Committee specifically looks into the shareholders and investor's complaints. In addition, the Committee also looks into matters, which can facilitate better investor services and relations.

During the period under review the committee had reviewed the status of investor services rendered by the Company. Mr. Shyam Sunder Agrawal, Compliance Officer of the Company. The Committee discussed various reports placed before it regarding investor complaints and queries.

During the Financial Year 2013 – 2014, the Company had received 1 complaint related to non receipt of Annual Report. The complaint has been resolved to the satisfaction of the shareholder and no complaint was pending as on 31st March, 2014.

## 6. Remuneration Committee

The Board has constituted a Remuneration Committee to recommend/review the remuneration package of the Managing / Whole Time Director, if any, based on the performance on defined criteria. Following are the Members as on 31st March, 2014:

Name	Designation	Executive / Non-Executive/Independent
Mr. Vijay Kumar Mahajan	Chairman	Independent Director
Mr. Manish Jain	Member	Independent Director
Mr. Navin Khandelwal	Member	Independent Director

The remuneration policy is directed towards rewarding performance based on review of achievement on periodic basis. The remuneration policy is in consonance with the existing industry practice.

## 7. Information of General Body Meetings

Location and time of AGMs/EGMs held during the last three years are as follows:-

Year	AGM/EGM	Location	Date & Time	Whether Special Resolution(s) passed or not
2011-2013	AGM	Sunvile Deluxe Pavilion, Sunvile Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400018	14/09/2013 11:30 AM	No
2010-2011	AGM	Indian Textile Accessories & Machinery Manufacturers Association, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400001	19/03/2012 11:00 AM	Yes.  1. Re-appointment of MD. 2. Commencement of business and activities as per MOA.
2009-2010	AGM	Indian Textile Accessories & Machinery Manufacturers' Association, 2nd Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400001	21/09/2010 11:30 AM	Yes. 1. Increase in Authorized capital and amendment in MOA & AOA. 2. Preferential allotment.
2009-2010	EGM	Sunvile Deluxe Pavilion, Sunvile Building, 9, Dr. Annie Besant Road, Worli, Mumbai-400018	11:30 AM 11/01/2010	Yes  1. Re-classification of Authorized capital and amendment in MOA & AOA. 2. Preferential allotment.

No EGM was held during the year 2013-14.

## 8. Disclosures

- a. Transactions with Promoters, Directors and their relatives, Management or their subsidiaries etc.



The Company has not entered into any transaction of material nature with the Promoters or Directors and/or their relatives or Management and/or their subsidiaries etc. that may have any potential conflict with the interests of the Company. The transactions of purchase and sale of goods, materials and services made in respect of above parties have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services as available with the Company or the prices at which transactions for similar goods, materials or services have been made with other parties. (please refer note no 26 of Notes to accounts, forming part of the Annual Report).

b. Compliance by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to Capital Markets during last three years.

## 9. Code of Conduct

The Company has laid down a Code of Conduct for all Board Members and senior management personnel of the Company. The Code of Conduct is available on the website of the company [www.ruchistrips.com](http://www.ruchistrips.com). The declaration of the Managing Director is given below :

To,  
The Shareholders  
Ruchi Strips And Alloys Limited  
Sub : Compliance with Code of Conduct

I hereby declare that all the Board Members and Senior Management Personnel have affirmed with the Code of Conduct as adopted by the Board of Directors.

Place : Indore  
Dated : 01.08.2014

**Umesh Shahra**  
**Managing Director**

## Subsidiary Company's Monitoring Framework

The Company is having one material unlisted subsidiary company and is required to nominate an independent director of the Company on the Board of subsidiary Company. Hence one of the Independent Directors of the Company has been appointed as a Director on the Board of RSAL Steel Private Limited, Subsidiary of the Company.

The Company monitors performance of subsidiary Company inter alia by the following:

- (a) Financial Statements of subsidiary company are reviewed by Audit Committee of the Company at regular intervals.
- (b) All Minutes of Board Meetings of the Subsidiary Company are placed before the Company's Board regularly.

## 10. Communication to Shareholders

Quarterly financial results for the Financial Year 2013-14 (1st April 2013 to 31st March 2014) were published in the newspapers namely Free Press Journal & Navshakti (both Mumbai Edition). RSAL has its own website, [www.ruchistrips.com](http://www.ruchistrips.com) on which important public domain information are posted. All financial and other vital official news releases are also properly communicated to the concerned Stock Exchange as besides being placed on the website.

## 11. General Shareholder Information

<b>Annual General Meeting</b>	Date :	25th September, 2014
	Time :	11.30 A.M.
	Venue :	Sunville Deluxe Pavilion, Sunville Building, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018

### Financial Calendar 2014-15

Adoption of Quarterly Results of

First quarter	:	2nd week of August, 2014
Second quarter	:	2nd week of November, 2014
Third quarter	:	2nd week of February, 2015
Fourth quarter & Annual	:	4th week of May, 2015

<b>Annual General Meeting</b> for the year ending 31st March, 2014	:	25th September, 2014
<b>Book closure Dates</b>	:	20th September, 2014 to 25th September, 2014 (Both days inclusive)
<b>Dividend Payment Date</b>	:	No dividend is declared for the year 2013-14

## 12. Listing on Stock Exchanges

The Equity Shares of the Company are listed on Bombay Stock Exchange, Mumbai (BSE).

### Stock Code

**Bombay Stock Exchange Limited, Mumbai** : 513295 (Physical)  
INE611C01012 (Demat)

**Registrar & Transfer Agent** : M/s Sarthak Global Limited  
170/10, Film Colony, RNT Marg,  
Indore – 452001 (M.P.)  
E-mail : sgl@sarthakglobal.com

**Address of Correspondence** : 611, Tulsiani Chambers,  
Nariman Point, Mumbai – 400021  
E-mail : investor@ruchistrips.com

**Dematerialization of shares** : 90.88% of the total equity capital is held in Dematerialized form  
with National Securities Depository Ltd. and Central Depository Services  
(India) Limited as on 31st March, 2014

**Outstanding ADRs/GDRs** : The Company has not issued any ADRs/GDRs

## 13. Market Price Data (Rs.)

High, low market price on Bombay Stock Exchange Ltd. (BSE) during each month in the last financial year.

Period	High (Rs.)	Low (Rs.)
April, 2013	6.95	4.50
May, 2013	6.20	5.47
June, 2013	6.50	6.00
July, 2013	6.94	5.99
August, 2013	8.30	6.70
September, 2013	7.50	5.42
October, 2013	6.00	5.00
November, 2013	4.76	3.11
December, 2013	3.46	2.79
January, 2014	4.43	2.90
February, 2014	4.20	3.70
March, 2014	3.91	2.90

## 14. Distribution of Shareholding as on 31st March, 2014

Shareholding	Share Holders		Total Number of Shares	% of Share Holding
	Number	% of Total		
Upto - 2500	17,643	77.68	22,18,513	4.44
2501 - 5000	3,381	14.88	13,47,938	2.70
5001 - 10000	1,015	4.47	8,66,779	1.73
10001 - 20000	355	1.56	5,59,609	1.12
20001 - 30000	98	0.43	2,52,679	0.50
30001 - 40000	36	0.16	1,31,821	0.26
40001 - 50000	52	0.23	2,48,012	0.50
50001 - 100000	57	0.25	4,28,547	0.86
100001 & above	78	0.34	4,39,41,803	87.89
<b>TOTAL</b>	<b>22,715</b>	<b>100.00</b>	<b>4,99,95,701</b>	<b>100.00</b>

#### 15. Share Transfer System

The Registrar & Share Transfer Agent M/s Sarthak Global Limited deals with Share Transfer both in physical and dematerialized mode. The dematerialized shares are transferable through the depository system. Shares in physical form are processed by the R & TA and approved by Share Transfer and Investors Grievance Committee of Directors of the Company. Physical Shares are transferred within stipulated time.

#### 16. Shareholding Pattern and Distribution of Shareholding

Shareholding pattern as on 31st March, 2014:

Category	No. of Shares held	Percentage of Shareholding
1. Promoter's Holding including Foreign promoters	1,41,35,502	28.27
2. NRIs/OCBs/FIIs	17,13,754	3.43
3. Banks, FIs, Mutual Funds	79,900	0.16
4. Indian Corporate Bodies	2,49,19,566	49.84
5. Indian Public	91,46,979	18.30
<b>TOTAL</b>	<b>4,99,95,701</b>	<b>100.00</b>

#### 17. Dematerialization of shares and liquidity

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai. The Company's shares are available for trading in the depository systems, of both NSDL and CDSL.

### C E R T I F I C A T E

To  
The Members of  
Ruchi Strips and Alloys Ltd.,

We have reviewed the compliance of the conditions of Corporate Governance by Ruchi Strips & Alloys Ltd. for the year ended 31st March, 2014 as stipulated in Clause 49 of the listing agreement of the said Company with Stock Exchange in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that there are no investor grievances pending as on 31st March, 2014 as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee.

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 ARUN MAHESHWARI & CO.  
Chartered Accountants

CA Arun Maheshwari  
Proprietor  
Membership No.70354

Place: Indore  
Date : 1<sup>st</sup> August, 2014

## Independent Auditors Report

To,  
The Members of  
**Ruchi Strips and Alloys Limited**

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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 flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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.

### Auditor's Responsibility

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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- ii. in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2003, (as amended), issued by the Central Government of India in terms of Sub Section (4A) of Section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. 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 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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

- c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
- 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 Companies Act, 1956 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e) On the basis of written representations received from the directors, as on 31st March, 2014 and 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 clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

For **ARUN MAHESHWARI & CO.**  
Chartered Accountants  
(Firm Reg. No. 0870C)

**CA Arun Maheshwari**  
Proprietor  
M.No.70354

Place : Indore  
Date : 29<sup>th</sup> May, 2014

## Annexure to Independent Auditor's Report

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date :-

- i. In respect of its Fixed Assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The fixed assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, no material discrepancies were noticed on such verification.
  - c. During the year under review, the Company has not disposed off a substantial part of fixed assets and we are of the opinion that the going concern status of the company is not affected.
- ii. In respect of its Inventories:
  - a. The management has conducted physical verification of inventory at reasonable intervals during the year under review. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventory. As explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii. In our opinion and according to the information and explanations given to us the Company has neither granted nor taken any loan secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, the provisions of clauses iii(b), iii(c), iii(d) and iii(f), iii(g) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of company in respect of these areas.
- v.
  - a. According to the information and explanations given to us, we are of the opinion that the company has no dealing with the parties covered in the register maintained under section 301 of the Companies Act, 1956.
  - b. In our opinion and according to the information and explanations given to us, the provisions of clause v(b) of the Order are not applicable to the company.
- vi. In our opinion and according to the information and explanations given to us, the Company has accepted deposits from public and complied with the provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under. As informed to us no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. In our opinion provisions of maintenance of cost records under section 209(1)(d) of the Companies Act are not applicable to the company since company has no manufacturing activity during the year under audit.
- ix. a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues as applicable to it. There were no arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.

- b) According to the records of the company and information and explanation given to us we report that the particulars of dues of sales tax , value added tax, income tax, custom duty, service tax, wealth tax, excise duty and cess which have not been deposited with appropriate authorities on account of any dispute as on 31st March, 2014 are as under :-

Sl. no.	Name of the Statute	Nature of dues	Amount (Rs.in lacs)	Period to which amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	6.76*	1989-1990	Restored to CIT (A) by ITAT, Mumbai.

\* Demand adjusted against refund due to the Company.

- x. The Company does not have accumulated losses as at 31st March, 2014 and it has not incurred any cash losses during the financial period covered by our audit and the immediately preceding financial period.
- xi. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The company has not issued any debenture.
- xii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us and the representations made by the management, the Company has given guarantee for loans taken by others from banks or financial institution. In our opinion, the terms and condition on which the company has given guarantee are not prima facie prejudicial to the interest of the company.
- xvi. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not raised any term loan during the year under audit.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made preferential allotment of shares to parties or Companies covered in the register maintained under section 301 of the Act during the year.
- xix. The Company has not issued debentures.
- xx. The Company has not raised any money by public issue during the year.
- xxi. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

For **ARUN MAHESHWARI & CO.**  
Chartered Accountants  
(Firm Reg. No. 0870C)

**CA Arun Maheshwari**  
Proprietor  
M.No.70354

Place : Indore  
Date : 29<sup>th</sup> May, 2014

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2014**

₹ in Lacs

Particulars	Note No.	As at	
		31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	5001.28	5001.28
(b) Reserves and Surplus	2	889.76	909.08
		<u>5891.04</u>	<u>5910.36</u>
<b>(2) Non-Current Liabilities</b>			
Long Term Provisions	3	0.16	0.17
		<u>0.16</u>	<u>0.17</u>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	4	120.00	106.16
(b) Trade Payables	5	754.90	2343.92
(c) Other Current Liabilities	6	81.26	137.82
(d) Short-Term Provisions	7	0.01	0.01
		<u>956.17</u>	<u>2587.91</u>
	<b>Total</b>	<u><b>6847.37</b></u>	<u><b>8498.44</b></u>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
Tangible Assets	8	0.37	0.50
(b) Non Current Investments	9	5094.87	5095.87
(c) Deferred Tax Asset (Net)	10	437.99	511.08
(d) Long Term Loans and Advances	11	25.76	43.18
		<u>5558.99</u>	<u>5650.63</u>
<b>(2) Current assets</b>			
(a) Inventories		-	-
(b) Trade Receivables	12	844.50	2609.01
(c) Cash and Bank Balances	13	32.91	48.10
(d) Short-Term Loans and Advances	14	401.08	177.35
(e) Other Current Assets	15	9.89	13.35
		<u>1288.38</u>	<u>2847.81</u>
	<b>Total</b>	<u><b>6847.37</b></u>	<u><b>8498.44</b></u>
Notes forming integral part to the financial statements	1 to 39		
Significant accounting policies	40		

**AS PER OUR REPORT OF EVEN DATE**
**FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS**
**FOR ARUN MAHESHWARI & CO.  
CHARTERED ACCOUNTANTS**
**CA Arun Maheshwari**  
(Proprietor)  
Membership No : 70354

**Deepak Upadhyay**  
Company Secretary

**Kailash Chandra Shahra**  
Chairman

 Place : Indore  
Date : 29<sup>th</sup> May, 2014

**Ravi Deshmukh**  
C.F.O.

**Umesh Shahra**  
Managing Director



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014

Particulars	Note No	₹ in Lacs	
		For the year ended 31 <sup>st</sup> March 2014	For the period ended 31 <sup>st</sup> March 2013 (18 Months)
<b>I. INCOME</b>			
a. Revenue from Operations	16	27554.61	55327.08
Less : Excise Duty		<u>0.00</u>	<u>0.00</u>
		27554.61	55327.08
b. Other Income	17	<u>94.23</u>	<u>150.95</u>
	<b>Total Revenue</b>	<u>27648.84</u>	<u>55478.03</u>
<b>II. EXPENSES</b>			
a. Purchases of Stock-in-Trade	18	27488.77	54381.04
b. Changes in inventories of Stock-in-Trade	19	0.00	43.69
c. Employee Benefits Expense	20	25.24	46.54
d. Finance Costs	21	15.68	692.82
e. Depreciation and Amortization Expense	8	0.13	0.19
f. Other Expenses	22	43.99	84.30
	<b>Total Expenses</b>	<u>27573.81</u>	<u>55248.58</u>
<b>III. Profit before exceptional and extraordinary items and tax</b>		75.03	229.45
<b>IV. Exceptional and Extraordinary Items</b>		4.30	0.00
<b>V. Profit before tax (III+IV)</b>		79.33	229.45
<b>VI. Tax expense:</b>			
a. Current tax		15.12	45.91
b. Deferred tax		73.09	64.59
c. Income tax for earlier year		10.44	-
<b>VII. Profit /(Loss) for the Year (V-VI)</b>		<u>(19.32)</u>	<u>118.95</u>
<b>VIII. Earning per Equity share of Rs. 10 each</b>		(0.04)	0.24
Basic and Diluted (in Rs.)			
(Not annualised for previous period)			
Notes forming integral part to the financial statements	1 to 39		
Significant accounting policies	40		

AS PER OUR REPORT OF EVEN DATE

FOR ARUN MAHESHWARI & CO.  
CHARTERED ACCOUNTANTS

CA Arun Maheshwari  
(Proprietor)  
M. No : 70354

Place : Indore  
Date : 29<sup>th</sup> May, 2014

FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS

Deepak Upadhyay  
Company Secretary

Kailash Chandra Shahra  
Chairman

Ravi Deshmukh  
C.F.O.

Umesh Shahra  
Managing Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014**

₹ In Lacs

Particulars	2013-14 (12 Months)	2012-13 (18 Months)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
a) NET PROFIT BEFORE TAX & EXTRAORDINARY ITEM	75.03	229.45
Adjustment for:		
Depreciation	0.13	0.19
Finance Costs	15.68	692.82
Interest Received	(2.39)	(2.72)
b) Operating Profit before working capital changes	88.45	919.74
Adjustment for :		
Trade & Other Receivable	1544.54	5544.40
Inventories	0.00	43.70
Trade & Other Payable	(1645.59)	(5560.99)
c) Cash Generated from Operation	(12.60)	946.85
Adjustment for :		
Taxes Paid	(8.44)	(86.08)
d) Cash Flow before extraordinary items	(21.04)	860.77
Extraordinary items	4.30	0.00
<b>Net Cash Flow from Operating Activities</b>	<b>(16.74)</b>	<b>860.77</b>
<b>B Cash Flow from Investing Activities</b>		
Purchases / Acquisition of Fixed Assets	0.00	(0.09)
Interest Received	2.39	2.72
Sale of Investments	1.00	0.00
Book balances not considered as cash and cash equivalent	(0.92)	(7.70)
<b>Net Cash Flow from Investing Activities</b>	<b>2.47</b>	<b>(5.07)</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds from / (Repayment of) borrowings	13.84	(152.37)
Finance Costs	(15.68)	(692.82)
<b>Net Cash Flow from Financing Activities</b>	<b>(1.84)</b>	<b>(845.19)</b>
<b>D Net Increase / (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(16.11)</b>	<b>10.51</b>
Cash & Cash Equivalents at the beginning of the year	40.40	29.89
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>24.29</b>	<b>40.40</b>
<b>Short Term Bank Deposits</b>	<b>8.62</b>	<b>7.70</b>
<b>Cash and Bank Balance at the end of the year</b>	<b>32.91</b>	<b>48.10</b>

AS PER OUR REPORT OF EVEN DATE

 FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS

 FOR ARUN MAHESHWARI & CO.  
CHARTERED ACCOUNTANTS

 Deepak Upadhyay  
Company Secretary

 Kailash Chandra Shahra  
Chairman

 CA Arun Maheshwari  
(Proprietor)  
M. No : 70354

 Place : Indore  
Date : 29<sup>th</sup> May, 2014

 Ravi Deshmukh  
C.F.O.

 Umesh Shahra  
Managing Director

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

₹ In Lacs

Particulars	As at	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>Note 1: SHARE CAPITAL</b>		
<b>Authorised</b>		
5,02,50,000 Equity shares (Previous year 5,02,50,000 equity shares) of Rs.10/- each.	5025.00	5025.00
17,00,000 (Previous year 1700000) 5% Non Cumulative Redeemable Preference Shares of Rs.100/-each.	1700.00	1700.00
	<u>6725.00</u>	<u>6725.00</u>
<b>Issued</b>		
5,00,29,901 Equity Shares (Previous Year 5,00,29,901 equity shares) of Rs. 10/- each.	5002.99	5002.99
<b>Subscribed &amp; Fully paid up</b>		
4,99,95,701 Equity shares (Previous year 4,99,95,701 Equity shares) of Rs.10/-each fully paid-up	4999.57	4999.57
<b>Forfeited shares</b>		
Amount originally paid up on forfeited shares	1.71	1.71
	<u>5001.28</u>	<u>5001.28</u>

1.1 The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at 31 <sup>st</sup> March,2014		As at 31 <sup>st</sup> March,2013	
	No. of Shares	Amount	No. of Shares	Amount
<b>Issued</b>				
Equity Shares at the beginning of the year	50,029,901	5,002.99	50,029,901	5002.99
Add: Shares issued during the year.	-	-	-	-
	<u>50,029,901</u>	<u>5,002.99</u>	<u>50,029,901</u>	<u>5002.99</u>
<b>Subscribed &amp; Fully paid up</b>				
Equity Shares at the beginning of the year	49,995,701	4,999.57	49,995,701	4999.57
Add: Shares issued during the year	-	-	-	-
Add: Amount paid up on Forfeited Shares	-	1.71	-	1.71
	<u>49,995,701</u>	<u>5,001.28</u>	<u>49,995,701</u>	<u>5001.28</u>

1.2 The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

1.3 The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As at 31 <sup>st</sup> March,2014		As at 31 <sup>st</sup> March,2013	
	No of shares held	% Held	No of shares held	% Held
ROHINI FOREX PRIVATE LIMITED	3,343,134	6.69	3343134	6.69
JUSH DEVELOPERS AND ERECTORS PRIVATE LTD	3,806,000	7.61	3806000	7.61
TOP SEALS INDIA PVT. LIMITED	6,976,714	13.95	6976714	13.95
JOYFUL DEVELOPERS PRIVATE LIMITED	3,806,075	7.61	3806075	7.61
MONEY CAPFIN PVT LTD	4,235,796	8.47	4235796	8.47
PARAM FOUNDATION PVT. LTD	6,053,987	12.11	6053987	12.11
RUCHI ACRONI INDUSTRIES LTD.	388,852	0.78	2837352	5.68
RUCHI INFOTECH LTD	3,899,263	7.80	-	-

₹ In Lacs

Particulars	As at	
	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013
<b>1.4</b> During the period of five year immediately preceding the date of which the balance sheet is made :-		
(i) No bonus shares were issued.		
(ii) No shares were bought back.		
(iii) No shares are allotted for consideration other than cash by the company.		
<b>Note 2 : RESERVES AND SURPLUS</b>		
<b>a) Capital Reserve</b>		
Balance as at the beginning of the year	10.00	10.00
Add : Received during the year	-	-
Balance as at the end of the year	<u>10.00</u>	<u>10.00</u>
<b>b) Securities Premium Account</b>		
Balance as at the beginning of the year	599.02	599.02
Add: Premium on shares issued during the year	-	-
Balance as at the end of the year	<u>599.02</u>	<u>599.02</u>
<b>c) Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	300.06	181.11
Add: Profit for the year	(19.32)	118.95
Balance as at the end of the year	<u>280.74</u>	<u>300.06</u>
<b>Total</b>	<u>889.76</u>	<u>909.08</u>
<b>Note 3 : LONG TERM PROVISIONS</b>		
Provision for Employee Benefits (Refer Note No 32 for disclosure as required under AS-15)	0.16	0.17
<b>Total</b>	<u>0.16</u>	<u>0.17</u>
<b>Note 4 : SHORT TERM BORROWINGS</b>		
<b>Unsecured</b>		
Deposits from public	120.00	97.11
Overdraft from Bank	-	9.05
<b>Total</b>	<u>120.00</u>	<u>106.16</u>
<b>Note 5 : TRADE PAYABLE</b>		
Due to Micro, Small and Medium Enterprises	-	-
Due to Others (Refer Note No 24 )	754.90	2343.92
<b>Total</b>	<u>754.90</u>	<u>2343.92</u>
<b>Note 6 : OTHER CURRENT LIABILITIES</b>		
Interest accrued but not due on borrowing	0.83	0.77
Other Payables		
Statutory Dues	30.43	64.12
Advances from Customers	32.19	71.61
Other Liabilities	17.81	1.32
<b>Total</b>	<u>81.26</u>	<u>137.82</u>
<b>Note 7 : SHORT TERM PROVISIONS</b>		
Provision for employee benefits (Refer note 32 for disclosure as required under AS-15)	0.01	0.01
<b>Total</b>	<u>0.01</u>	<u>0.01</u>
<b>Note 8 : Fixed Assets</b>		

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 01-04-2013	Additions	Deductions	As at 31-03-2014	Up to 01-04-2013	For the year	on Deduction	Upto 31-03-2014	As at 31-03-2014	As at 31-03-2013
<b>A. Tangible Assets</b>										
Furniture & Fixtures	0.20	-	-	0.20	0.20	-	-	0.20	-	-
Office Equipments	0.77	-	-	0.77	0.27	0.13	-	0.40	0.37	0.50
<b>Total</b>	0.97	-	-	0.97	0.47	0.13	-	0.60	0.37	0.50
Previous Year	0.88	0.09	-	0.97	0.28	0.19	-	0.47	0.50	

₹ In Lacs

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>Note 9 : NON CURRENT INVESTMENTS</b>		
<b>a. In Equity Shares (Unquoted)</b>		
<b>In Subsidiary company (Trade Investments)</b>		
10,000 Equity Shares of Rs. 10 each fully paid up in RSAL Steel Private Limited	1.00	1.00
<b>In other than Subsidiary Company (Non Trade Investment)</b>		
10,000 Equity Shares of Rs.10/- each fully paid in NICPL Infralinks Private Limited	-	1.00
1,50,000 Equity Shares of Rs.10 each fully paid in Ruchi Global Limited.	15.00	15.00
<b>Total (a)</b>	<u>16.00</u>	<u>17.00</u>
<b>b. In Preference Shares (Trade Investment)</b>		
<b>In Subsidiary company</b>		
50,788,700 5% Non-cumulative Redeemable Preference Shares of Rs. 10/- each fully paid in RSAL Steel Private Limited	5078.87	5078.87
<b>Total (b)</b>	<u>5078.87</u>	<u>5078.87</u>
<b>Total (a+b)</b>	<u>5094.87</u>	<u>5095.87</u>
Aggregate amount of unquoted investments	<u>5094.87</u>	<u>5095.87</u>
Aggregate amount for diminution in value of investments.	-	-
<b>Note 10 : DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Liabilities</b>		
Depreciation difference on Fixed Assets	(0.11)	0.05
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation	130.31	143.33
Business Loss	307.52	362.47
Disallowance under the Income Tax Act 1961	0.27	5.23
<b>Total</b>	<u>437.99</u>	<u>511.08</u>
<b>Note 11 : LONG TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Deposits	0.51	0.81
Advance income tax ( net of provision Rs.390.79 Lacs Pre. Yr Rs. 399.75 Lacs )	25.25	42.37
<b>Total</b>	<u>25.76</u>	<u>43.18</u>
<b>Note 12 : TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
"Outstanding for a period exceeding six months from the date they are due for payment"		
Others*	34.30	86.45
<b>Total</b>	<u>810.20</u>	<u>2522.56</u>
*(includes Rs Nil (Previous Year Rs. 152.38 Lacs) due from subsidiary company)		
<b>Total</b>	<u>844.50</u>	<u>2609.01</u>
<b>Note 13 : CASH AND BANK BALANCES</b>		
<b>a. Cash and Cash Equivalents</b>		
i. Balances with Banks		
in Current Accounts	5.39	21.41
in deposit account with Maturity up to 3 months (Earmarked against credit facilities /Under lien)	17.96	16.57
ii. Cash on hand		
<b>Total</b>	<u>0.94</u>	<u>2.42</u>
<b>Total</b>	<u>24.29</u>	<u>40.40</u>
<b>b. Other Bank Balances</b>		
<b>In Deposit Accounts</b>		
having maturity more than 3 months up to 12 months (Earmarked against credit facilities /Under lien)	8.62	7.70
<b>Total</b>	<u>32.91</u>	<u>48.10</u>

₹ In Lacs

Particulars	₹ In Lacs	
	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013

**Note 14 : SHORT TERM LOANS AND ADVANCES**

(Unsecured, considered good)		
Other Loans and advances		
Balance with Government Authorities	17.53	133.26
Advance to Suppliers	383.03	43.84
(includes Rs 322.08 Lacs (Previous Year Rs. Nil ) given to subsidiary company)		
Loans and Advances to Employees	0.15	-
Other advances recoverable in cash or in kind for value to be received	0.37	0.25
<b>Total</b>	<b>401.08</b>	<b>177.35</b>

**Note 15 : OTHER CURRENT ASSETS**

(Unsecured, considered good)		
Others		
Interest Accrued on deposits	1.63	1.47
Other Receivable	8.26	11.88
<b>Total</b>	<b>9.89</b>	<b>13.35</b>

₹ In Lacs

Particulars	₹ In Lacs	
	For the year ended 31 <sup>st</sup> March 2014	For the period ended 31 <sup>st</sup> March 2013 (18 Months)

**Note 16 : REVENUE FROM OPERATIONS**

a. Sales of Products (Gross)	27516.25	55292.03
b. Other operating revenue	38.36	35.05
	27554.61	55327.08
Less: Excise Duty	-	-
<b>Total</b>	<b>27554.61</b>	<b>55327.08</b>

**Details of Sales of product**

a) Cold Rolled Strips/Other Steel	15993.15	17806.94
b) H.R.Coil	384.73	20753.34
c) Others	11138.37	16731.75
	27516.25	55292.03

**Note 17 : OTHER INCOME**

Interest Income	2.39	2.72
Sales Tax refund	90.23	148.06
Other non-operating income	1.61	0.17
<b>Total</b>	<b>94.23</b>	<b>150.95</b>

**Note 18 : PURCHASE OF STOCK IN TRADE**

Purchases of traded goods	27488.77	54381.04
<b>Total</b>	<b>27488.77</b>	<b>54381.04</b>

**Details of Purchase of stock in trade**

a) Cold Rolled Strips/Sheets	15989.53	17763.07
b) H.R.Coil	377.20	19913.41
c) Others	11122.04	16704.56
<b>Total</b>	<b>27488.77</b>	<b>54381.04</b>

**Note 19 : CHANGES IN INVENTORIES**

Inventory at the end of the year		
Stock in Trade	-	-
	-	-
Less : Inventory at the beginning of the year	-	43.69
Stock in Trade	-	43.69
<b>Net (Increase)/Decrease in Inventories</b>	<b>-</b>	<b>43.69</b>

₹ In Lacs

Particulars	For the year ended 31 <sup>st</sup> March 2014	For the period ended 31 <sup>st</sup> March 2013 (18 Months)
<b>Note 20 : EMPLOYEE BENEFITS AND EXPENSES</b>		
Salaries and Wages	22.60	41.60
Contribution to Provident and other funds	2.42	4.19
Staff Welfare Expenses	0.22	0.75
<b>Total</b>	<u>25.24</u>	<u>46.54</u>
<b>Note 21 : FINANCE COSTS</b>		
Interest Expenses	15.01	468.61
Other Borrowing Cost	0.67	124.38
Net loss on foreign currency Transactions & Translation	-	99.83
<b>Total</b>	<u>15.68</u>	<u>692.82</u>
<b>Note 22 : OTHER EXPENSES</b>		
Rent	1.14	1.37
Insurance	0.16	1.45
Rates and Taxes , excluding taxes on income	5.72	15.51
Freight and forwarding charges	0.62	23.34
Payment to Auditors	1.90	2.79
Printing & Stationery	2.96	3.85
Communication Expenses	2.74	3.89
Legal & professional Exps.	3.52	7.47
Secretarial Expenses	6.90	8.69
Sundry Balance written off	13.65	(0.06)
Export Expenses	-	2.38
Travelling & Conveyance Expenses	1.56	4.12
Miscellaneous Expenses	3.12	9.50
<b>Total</b>	<u>43.99</u>	<u>84.30</u>

**Note 23 : CONTINGENT LIABILITIES AND COMMITMENTS**  
(to the extent not provided for )

	2013-14	2011-13
<b>A. Contingent Liabilities</b>		
i) Guarantees issued by Bank	Nil	Nil
ii) Income Tax demand disputed in appeal	6.76	6.76
iii) Corporate guarantee given on behalf of subsidiary	24148.00	24148.00
<b>B. Commitment</b>		
	Nil	Nil

**Note 24 : a.** Trade Payables includes Rs. Nil (Previous Year Nil) amount due to micro small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) Act.

b. The details of amount outstanding to Micro, Small and Medium Enterprises are as under:

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
Principle amount due and remain unpaid	-	-
Interest due on above and unpaid interest	-	-
Interest Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years	-	-

c. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

**Note 25 :** The Company is engaged in trading /merchandising activities. No other activity qualifies as a reportable segment in terms of AS – 17 issued by The Institute of Chartered Accountants of India. Hence disclosure requirement as per AS-17 is not applicable.

**Note 26 : RELATED PARTY DISCLOSURE**
**List of Related Parties and Relationships**
**a. Parties where control exists:**

RSAL Steel Private Limited (Subsidiary)  
 Mahadeo Shahra & Sons Private Limited  
 Mani Real Estate Private Limited  
 Revati Cements Private Limited  
 Ruchi Corporation Limited  
 Ruchi Equity Growth Private Limited  
 Ruchi Finance & Investment Private Limited  
 Shahra Sons Private Limited  
 Steel Technologies India Limited

**b. Key Management Personnel and their relative:**

Mr. Umesh Shahra (Managing Director)  
 Mr. Kailash Shahra (Father of Managing Director)  
 Mrs. Savitri Devi Shahra (Mother of Managing Director)  
 Mrs. Sandhya Khandelwal (Sister of Managing Director)  
 Mrs. Mamta Khandelwal (Sister of Managing Director)  
 Mrs. Neeta Shahra (Wife of Managing Director)  
 Ms. Sunaina Shahra (Daughter of Managing Director)  
 Mr. Suyash Shahra (Son of Managing Director)  
 Ms. Supriya Shahra (Daughter of Managing Director)

**c. Entities where Key Management Personnel & relatives of Key Management Personnel have significant influence:**

Great Eastern Infrastructure Corporation Private Limited  
 Indian Steel Corporation Limited  
 Mahakosh Paper Private Limited  
 Suyash Trust  
 Pushkar Trust  
 Suyesh Trust

**Note: Related Party relationship is as identified by the Company and relied upon by the Auditors.**

- d) Transaction carried out with related parties referred in above, in ordinary course of business during the existence of related party relationship.

All Amount ₹ In Lacs

NATURE OF TRANSACTIONS	2013-2014	2011-2013
<b>26(a)</b>		
<b>Rsal Steel Pvt. Ltd.</b>		
Sales	-	18691.83
Purchases	377.20	-
Commission received	0.49	2.53
Guarantee given on behalf of subsidiary	24148.00	24148.00
<b>Outstanding:</b>		
Receivable	-	152.38
Advance against supply	322.08	-
<b>26(b)</b>		
<b>Mr. Umesh Sahara</b>		
Remuneration	20.16	27.00
<b>26(c)</b>		
<b>Indian Steel Corporation Ltd.</b>		
Commission received	25.92	36.47
<b>Outstanding:</b>		
Payable against consignment sale	594.93	1612.01



**All Amount ₹ In Lacs**

**Note 27 :** In the opinion of Board of Directors, Non current / current assets and Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.

<b>Note 28 : AUDITORS REMUNERATION</b>	<b>2013-2014</b>	<b>2011-2013</b>
(a) Statutory Audit	<b>0.75</b>	0.75
(b) Tax Audit	<b>0.25</b>	0.25
(c) Other Services	<b>0.90</b>	1.79
(d) Reimbursement of Expenses	<b>0.05</b>	0.14

**Note 29 : EARNING PER SHARE (EPS)**

	<b>2013-14</b>	<b>2011-13</b>
<b>I Basic and Diluted Earning Per Share</b>		
(a) Net Profit after tax but before Exceptional / Extra ordinary items	<b>(23.62)</b>	118.95
(b) Less : Exceptional / Extraordinary items	<b>4.30</b>	-
(c) Profit available for Equity shareholders	<b>(19.32)</b>	118.95
(d) Weighted Average Number of Equity Shares (Nos.)	<b>49995701</b>	49995701
(e) Nominal Value of Per ordinary Share	<b>10</b>	10
(f) Basic Earning Per Share (in Rs.) not annualized for previous period.	<b>(0.04)</b>	0.24

**Note 30 : DISCLOSURE ON FINANCIAL AND DERIVATIVE INSTRUMENTS:**

The Company uses foreign currency forward exchange contracts to hedge its exposures in foreign currency related to firm commitment and highly probable forecasted transactions. The amount of foreign currency exposure as at the end of the year is Nil (Previous year Nil).

**Note 31 : LEASES - WHERE COMPANY IS LESSEE**

The Company has taken various premises under operating leases with no restrictions and is renewable / cancelable at the option of either party. There are no sub leases. There are no restrictions imposed by lease arrangements. . The company has not recognized any contingent rent as expense in the statement of profit and loss. The total future minimum lease rentals payable at the balance sheet date is as under:

	<b>2013-14</b>	<b>2011-13</b>
For a period not later than one year	<b>0.68</b>	Nil
For a period later than one year and not later than five years	<b>0.15</b>	Nil
For a period later than five years.	<b>Nil</b>	Nil

The aggregate amount of operating lease payments recognized in the statement of profit and loss is Rs.1.14 Lacs (Previous period Rs. 1.37 Lacs). The company has not recognized any contingent rent as expense in the statement of profit and loss.

**Note 32 : Disclosure as per AS-15 – EMPLOYEE BENEFITS**

**GRATUITY**

The Company has opted for scheme with Life Insurance Corporation of India to cover its liabilities towards employees gratuity. The annual premium paid to Life Insurance Corporation of India is charged to Profit and Loss Account. The Company also carries out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) and difference between fair value of plan assets and liability as per actuarial valuation as at year end is recognized in Profit and Loss Account.

All Amount ₹ In Lacs

	2013-2014		2011-2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>Change in obligation during the year ended 31st March 2014</b>				
Obligation at the beginning of the year	9.72	0.18	9.22	0.58
Current Service cost	0.05	0.04	1.02	0.06
Interest Cost	0.78	0.01	1.18	0.07
Liability transfer in	-	-	-	-
(Liability transferred out)	-	-	-	-
Actuarial (Gains)/Losses	(1.28)	(0.06)	0.44	0.22
Benefit paid directly by the employer	-	-	-	-
Benefits payments	(0.90)	-	(2.14)	(0.76)
Obligations at the end of the year	8.37	0.17	9.72	0.18
<b>Change in the fair value of plan assets</b>	-	-	-	-
Fair value of plan assets at the beginning of the year	14.02	-	13.66	-
Expected return on plan assets	1.22	-	1.64	-
Contributions	-	-	0.00	-
Transfer from Other Company	-	-	-	-
Transfer to Other Company	-	-	-	-
Benefits paid	(0.90)	-	(2.14)	-
Actuarial Gains/(Losses) on plan assets	(0.07)	-	0.86	-
Fair value of plan assets at the end of the year	14.27	-	14.02	-
<b>Amount recognized in Balance Sheet</b>	-	-	-	-
Present value of defined benefit obligation at the end of the year	(8.37)	(0.17)	(9.72)	(0.18)
Fair value of plan assets at the end of the year	14.27	-	14.02	-
Funded Status	5.89	(0.17)	4.30	(0.18)
Net (Liability)/Asset recognized in balance sheet	5.89	(0.17)	4.30	(0.18)
<b>Balance Sheet Reconciliation</b>	-	-	-	-
Net Liability at the beginning of the year	(4.30)	0.18	(4.43)	0.58
Expenses recognized during the year	(1.60)	(0.01)	0.14	0.36
Net transferred in	-	-	-	-
(Net transfer out)	-	-	-	-
Contributions during the year	-	-	(0.00)	(0.76)
Net (Liability)/Asset recognized in balance sheet	(5.89)	0.17	(4.30)	0.18
<b>Amounts recognised in the profit and loss account</b>	-	-	-	-
Current service cost	0.05	0.04	1.02	0.06
Interest cost	0.78	0.01	1.18	0.07
Expected return on plan assets for the year	(1.22)	-	(1.64)	-
Actuarial (Gains)/Losses	(1.21)	(0.06)	(0.42)	0.22
Expenditure recognized in the profit and loss account	(1.60)	(0.01)	0.14	0.36
<b>Actual return on plan assets</b>	-	-	-	-
Expected return on plan assets for the year	1.22	-	1.64	-
Actuarial Gains/(Losses) on plan assets	(0.07)	-	0.86	-
Actual return on plan assets	1.15	-	2.50	-

All Amount ₹ In Lacs

<b>Percentage of each category of plan assets to fair value of plan assets</b>	-	-	-	-
Insurer managed funds	14.27	-	14.02	-
<b>Actuarial assumptions</b>				
Discount Rate Current	9.31%	9.31%	8%	8%
Salary escalation Current	6%	6%	6%	6%
Rate of return on plan assets Current	8.70%	-	8.70%	-

The Company's gratuity funds are managed by the Life Insurance Corporation of India and therefore the composition of the fund assets is not presently ascertained.

- (ii) Expected contribution to the fund in next year will be in line with FY 2013-14.  
(iii) Amount Recognised in current and previous year :

Particulars	31.03.14	01.10.11-31.03.13	01.04.10-30.09.11	31.03.10
Define Benefit Obligations	8.37	9.72	9.22	73.46
Fair value of plan assets	14.27	14.02	13.66	49.44
Surplus/(Deficit)	5.90	4.30	4.44	-24.02
Experience Adjustments on Plan Liabilities Loss / (Gain)	(0.60)	0.16	28.39	(6.36)
Experience Adjustments on Plan Assets (Loss) / Gain	(0.07)	0.86	(1.01)	(0.24)

**Note 33 : VALUE OF IMPORTS ON CIF BASIS**

	2013-14	2011-13
Hot Rolled Coil	NIL	1736.25
Merchant Import	NIL	4246.05

**Note 34 : EARNING IN FOREIGN CURRENCY**

Merchant Export – calculated on FOB basis	-	4311.70
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**Note 35 :** Exceptional item Rs. 4.30 Lacs represent value of Gratuity fund of earlier year being excess of fair value of planned assets over present value of defined obligation, hence now recognized.

**Note 36 :** Disclosure Pursuant to Clause 32 of Listing Agreement with Stock Exchanges

- A) Loans and Advances in the nature of Loans to Subsidiary - Nil  
 B) Loans and Advances in the nature of Loans to Related Party - Nil  
 C) None of the parties to whom loans were given have made investment in the shares of the Company – Nil  
 D) Loans and advances in the nature of Loans to firms / companies in which directors are interested – Nil  
 E) Loans and advances in the nature of Loans where there is :  
 i) No repayment schedule or repayment beyond seven years – Nil  
 ii) No interest or interest below the rates prescribed in section 372A of companies act 1956 – Nil

**Note 37 :** The financial statements have been prepared in line with the requirements of Revised Schedule VI of Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from the financial year ended on 31st March 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 month period as operating cycle.

**Note 38 :** The financial statement of current and previous period are not comparable since previous period figures are of eighteen months.

**Note 39 :** Previous period's figures are regrouped / re – arranged wherever considered necessary.

**Note 40 :** General Company Information Significant Accounting policies and practices adopted by the Company are disclosed as under :-

**General company information**

Ruchi Strips and Alloys Limited was incorporated as a Limited Company on June 18th, 1987.

In the year 2011, Company has transferred its Plant along with Steel Division situated at Village – Sejwaya, Ghatabillod, Dist. Dhar (M.P.) to wholly owned subsidiary RSAL Steel Private Limited.

Now, the main business activity of the company is Trading activity in Steel and other products.

The shares of the Company are listed at the Bombay Stock Exchange, Mumbai.

**1. Statement of significant accounting policies****a) Basis of Accounting**

The financial statements are prepared as a going concern under the historical cost convention on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles (GAAP), Accounting Standards Issued by the Institute of Chartered Accountants of India, as applicable and the relevant provisions of the Companies Act, 1956.

**b) Use of Estimates**

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and the estimates are recognized in the period in which the results are known/ materialized.

**c) Revenue recognition**

The Company follows mercantile system of the accounting and recognises income and expenditure on accrual basis except those with significant uncertainties.

Sales revenue is recognised on transfer of the significant risks and rewards of ownership of the goods to the buyer and stated net of sales tax, VAT, trade discounts.

Interest income is recognised on time proportion basis.

Income from services is recognised as they are rendered (based on arrangement / agreement with the concern customers).

Dividend income on investments is accounted for as and when the right to receive the payment is established.

The Export incentives are accounted for on accrual basis taking into account certainty of realisation or its subsequent utilisation.

**d) Fixed Assets****i. Fixed Assets**

Fixed assets are stated at cost of acquisition or construction or development, net of tax /duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation, amortization and impairments, if any.

**ii. Capital Expenditure**

Assets under erection/installation are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

**e) Depreciation**

Depreciation on fixed assets is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition / disposal, except for low value items costing Rs. 5,000/- or less are written off fully in the year of purchase.

In respect of addition / extensions forming integral part of existing assets and on revised carrying amount of the assets identified as impaired, depreciation has been provided over residual life of the respective fixed assets.

**f) Borrowing cost**

Borrowing cost attributable to the acquisition or construction of qualifying assets are added to / capitalized as part of the cost of such asset up to the date when such assets is ready for its intended use. Other borrowing costs are charged to Statement of Profit and Loss as expense in the year in which they are incurred.

**g) Valuation of inventories**

Inventories are valued at lower of cost or net realizable value on FIFO basis. Cost of inventory generally comprises of cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

**h) Investments**

Investments that are readily realisable and are intended to be held for not more than one year, are classified as current investments. All other investments are classified as non current investments. Current Investments are carried at lower of cost or market/fair value.

Non current investments are carried at cost of acquisition. However, no provision is made for diminution in the value of investments, where, in the opinion of the Board of Directors such diminution is temporary.

**i) Employee Benefits****(a) Post-employment benefit plans**

**i. Defined Contribution Plan** - Contributions to Provident Fund and Family Pension fund are accrued in accordance with applicable statute and deposited with appropriate authorities.

**ii. Defined Benefit Plan**

a. The liability in respect of leave encashment is determined using actuarial valuation carried out as at Balance Sheet date. Actuarial gains and losses are recognized in full in Statement of Profit and Loss for the year in which they occur.

b. The Company has opted for scheme with Life Insurance Corporation of India to cover its liabilities towards employees gratuity. The annual premium paid to Life Insurance Corporation of India is charged to Profit and Loss Account. The Company also carries out actuarial valuation of gratuity using Projected Unit Credit Method as required by Accounting Standard 15 "Employee Benefits" (Revised 2005) and difference between fair value of plan assets and liability as per actuarial valuation as at year end is recognized in Statement of Profit and Loss.

**(b) Short term employee benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employees render the services. These benefits include compensated absence also.

**j) Foreign currency transaction**

i. All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the Statement of Profit and Loss.

ii. Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the Statement of Profit and Loss.

iii. In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets/liabilities.

**k) Lease Accounting****As a Lessee**

Leases, where risk and reward of ownership, are significantly retained by the lessor are classified as operating leases and lease rentals thereon are charged to the statement of profit and loss over the period of lease.

**l) Provision, Contingent Liabilities and Contingent Asset**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

**m) Taxes on Income**

Provision for Current Tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on the timing difference, being the difference between taxable income and the accounting income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

**n) Impairment of Assets**

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors.

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed if there has been an indication that impairment loss recognised for an asset no longer exists or may have decreased.

**o) Cash Flow Statement**

Cash Flows are reported using indirect method, whereby Profit (loss) before extraordinary items and tax is adjusted for the effect of transactions of non cash nature and any deferrals or accruals of the past or future cash receipts or payments. The Cash Flow from Operating, Investing and Financial activities of the Company is segregated based on the available information.

**AS PER OUR REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS**

**FOR ARUN MAHESHWARI & CO.  
CHARTERED ACCOUNTANTS**

**CA Arun Maheshwari  
(Proprietor)  
M. No : 70354**

**Deepak Upadhyay  
Company Secretary**

**Kailash Chandra Shakra  
Chairman**

**Place : Indore  
Date : 29<sup>th</sup> May, 2014**

**Ravi Deshmukh  
C.F.O.**

**Umesh Shakra  
Managing Director**

## Independent Auditors' Report

To  
The Board Of Directors  
**RUCHI STRIPS AND ALLOYS LIMITED**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statement of Ruchi Strips and Alloys Limited (the Company) and its subsidiaries (collectively referred to as the Group) which comprise the consolidated Balance Sheet as at 31st March, 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance and the consolidated cash flow of the company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with 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 consolidated financial statements are free of material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of subsidiary audited by us, the accompanying consolidated financial statements give a true and fair view in conformity with accounting principles generally accepted in India:

- i. in the case of the Consolidated Balance Sheet of the state of affairs of the Company as at 31st March, 2014;
- ii. in the case of the Consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- iii. in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **ARUN MAHESHWARI & CO.**  
Chartered Accountants  
(Firm Reg. No. 0870C)

Place : Indore  
Date : 29<sup>th</sup> May, 2014

**CA Arun Maheshwari**  
Proprietor  
M.No.70354

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2014**

₹ in Lacs

Particulars	Note No.	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	5,001.28	5,001.28
(b) Reserves and Surplus	2	<u>1,525.89</u>	<u>1,312.73</u>
		<b>6,527.17</b>	<b>6,314.01</b>
<b>(2) Minority interest</b>			
		<b>670.00</b>	-
<b>(3) Share Application Money Pending Allotment</b>			
	3	-	670.00
<b>(4) Non-Current Liabilities</b>			
(a) Long-term Borrowings	4	3,431.45	3,222.16
(b) Other Long-Term Liabilities	5	4.24	4.24
(c) Long Term Provisions	6	<u>59.98</u>	<u>66.48</u>
		<b>3,495.67</b>	<b>3,292.88</b>
<b>(5) Current Liabilities</b>			
(a) Short-Term Borrowings	7	3,498.35	3,699.41
(b) Trade Payables	8	13,161.85	14,280.02
(c) Other Current Liabilities	9	3,383.37	5,201.35
(d) Short-Term Provisions	10	<u>454.95</u>	<u>460.02</u>
		<b>20,498.52</b>	<b>23,640.80</b>
	<b>Total</b>	<b><u>31,191.36</u></b>	<b><u>33,917.69</u></b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible Assets	11	4,212.84	4,356.57
(ii) Capital Work in Progress	11	531.66	445.01
(b) Non Current Investments	12	15.00	16.00
(c) Deferred Tax Asset (Net)	13	336.66	401.96
(d) Long Term Loans and Advances	14	<u>487.63</u>	<u>1,127.04</u>
		<b>5,583.79</b>	<b>6,346.58</b>
<b>(2) Current Assets</b>			
(a) Inventories	15	7,884.53	9,085.64
(b) Trade Receivables	16	11,339.36	14,710.21
(c) Cash and Bank Balances	17	2,349.93	2,053.14
(d) Short-Term Loans and Advances	18	3,898.41	1,650.05
(e) Other Current Assets	19	<u>135.34</u>	<u>72.07</u>
		<b>25,607.57</b>	<b>27,571.11</b>
	<b>Total</b>	<b><u>31,191.36</u></b>	<b><u>33,917.69</u></b>

Notes forming integral part of the financial statements

1 to 40

Significant accounting policies

41

**AS PER OUR REPORT OF EVEN DATE**

**FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS**

For **ARUN MAHESHWARI & CO.**  
**CHARTERED ACCOUNTANTS**

**CA Arun Maheshwari**  
(Proprietor)  
Membership No : 70354  
(Firm Regn. No. 0870C)  
Place : Indore  
Date : 29<sup>th</sup> May, 2014

**Deepak Upadhyay**  
Company Secretary

**Ravi Deshmukh**  
C.F.O.

**Kailash Chandra Shahra**  
Chairman

**Umesh Shahra**  
Managing Director



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2014**

₹ in Lacs

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2014	For the period ended 31 <sup>st</sup> March 2013 (18 months)
<b>I. INCOME</b>			
a. Revenue from Operations	20	<b>105,485.41</b>	182,708.01
Less : Excise Duty		<b>4,406.46</b>	5,837.52
		<b>101,078.95</b>	176,870.49
b. Other Income	21	<b>346.08</b>	801.35
		<b>Total Revenue</b>	<b>177,671.84</b>
		<b>101,425.03</b>	<b>177,671.84</b>
<b>II. EXPENSES</b>			
a. Cost of Materials Consumed	22	<b>26,150.72</b>	37,015.99
b. Purchases of Stock-in-Trade	23	<b>66,851.33</b>	124,923.62
c. Changes in inventories of finished goods Work-in-Progress and Stock-in-Trade"	24	<b>(810.54)</b>	787.70
d. Employee Benefits Expense	25	<b>1,056.55</b>	1,681.16
e. Finance Costs	26	<b>3,340.87</b>	5,250.15
f. Depreciation and Amortization Expense	11	<b>282.94</b>	412.02
g. Other Expenses	27	<b>4,168.29</b>	6,663.61
		<b>Total Expenses</b>	<b>176,734.25</b>
		<b>101,040.16</b>	<b>176,734.25</b>
<b>III. Profit before exceptional and extraordinary items and tax</b>		<b>384.87</b>	937.59
<b>IV. Exceptional and Extraordinary Items</b>		<b>4.30</b>	-
<b>V. Profit before tax (III+IV)</b>		<b>389.17</b>	937.59
<b>VI. Tax expense:</b>			
a. Current tax		<b>100.19</b>	239.24
b. Deferred tax		<b>65.30</b>	159.02
b. Income tax for earlier year		<b>10.53</b>	-
<b>VII. Profit for the Year (V-VI)</b>		<b>213.15</b>	<b>539.33</b>
<b>VIII. Earning per Equity share of Rs. 10 each Basic and Diluted (in Rs.)</b>		<b>0.43</b>	1.08
Notes forming integral part of the financial statements	1 to 40		
Significant accounting policies	41		

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS

For **ARUN MAHESHWARI & CO.**  
**CHARTERED ACCOUNTANTS**

**CA Arun Maheshwari**  
(Proprietor)  
Membership No : 70354  
(Firm Regn. No. 0870C)  
Place : Indore  
Date : 29<sup>th</sup> May, 2014

**Deepak Upadhyay**  
Company Secretary

**Ravi Deshmukh**  
C.F.O.

**Kailash Chandra Shahra**  
Chairman

**Umesh Shahra**  
Managing Director

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2014**

₹ in Lacs

Particulars	2013-14	2011-13 (18 months)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
a) NET PROFIT BEFORE TAX & EXTRAORDINARY ITEM	384.87	937.59
Adjustment for:		
Depreciation	282.94	412.02
Finance cost	3,340.87	5,250.15
Interest received	(203.08)	(217.23)
(Profit)/ Loss on sale of Fixed Assets	2.47	(1.30)
b) OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,808.07	6,381.23
Adjustment for:		
Trade & Other receivable	1,698.63	(4,135.92)
Inventories	1,201.11	2,879.61
Trade & Other Payable	(2,894.37)	2,102.93
c) CASH GENERATED FROM OPERATIONS	3,813.44	7,227.85
Taxes paid	(164.05)	(203.32)
d) CASH FLOW BEFORE EXTRAORDINARY ITEM	3,649.39	7,024.53
Extraordinary Items	4.30	
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>3,653.69</b>	<b>7,024.53</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase / Acquisition of Fixed Assets	(232.34)	(1,861.48)
Interest Received	203.08	217.23
Sale of Investments	1.00	-
Sale of Fixed Assets	4.01	3.31
Book balances not considered as Cash and cash equivalent	(23.60)	(182.21)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(47.85)</b>	<b>(1,823.15)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share application money received	0.00	670.00
Proceeds from Issue of shares	0.00	0.00
Proceed / Repayment from borrowings	8.23	(799.15)
Finance cost	(3,340.87)	(5,250.15)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(3,332.64)</b>	<b>(5,379.30)</b>
<b>D NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>273.19</b>	<b>(177.92)</b>
CASH & CASH EQUIVALENT AT BEGINNING OF THE YEAR	153.01	330.93
<b>Cash &amp; cash equivalent at end of the year</b>	<b>426.20</b>	<b>153.01</b>
Bank balances not considered as Cash and cash equivalent	1,923.73	1,900.13
<b>CASH AND BANK BALANCE AT THE END OF THE YEAR</b>	<b>2,349.93</b>	<b>2,053.14</b>

AS PER OUR REPORT OF EVEN DATE

 FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS

 For ARUN MAHESHWARI & CO.  
CHARTERED ACCOUNTANTS

 CA Arun Maheshwari  
(Proprietor)  
Membership No : 70354  
(Firm Regn. No. 0870C)  
Place : Indore  
Date : 29<sup>th</sup> May, 2014

 Deepak Upadhyay  
Company Secretary

 Ravi Deshmukh  
C.F.O.

 Kailash Chandra Shahra  
Chairman

 Umesh Shahra  
Managing Director

**CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>NOTE 1 : SHARE CAPITAL</b>		
<b>Authorised</b>		
5,02,50,000 (Previous Year 5,02,50,000) Equity shares of Rs.10/- each.	5,025.00	5,025.00
17,00,000 (Previous Year 17,00,000) 5% Non-Cumulative Redeemable Preference Share of Rs. 100 each.	<u>1,700.00</u>	<u>1,700.00</u>
	<u>6,725.00</u>	<u>6,725.00</u>
<b>Issued, Subscribed :</b>		
5,00,29,901 (Previous Year 5,00,29,901) Equity shares of Rs.10/- each,	<u>5,002.99</u>	<u>5,002.99</u>
<b>Paid Up</b>		
4,99,95,701 Equity Shares (Previous year 4,99,95,701) of Rs.10/- each fully paid up	4,999.57	4,999.57
<b>Forfeited shares</b>		
Add: Amount originally paid up on forfeited shares	1.71	1.71
	<u>5,001.28</u>	<u>5,001.28</u>

1.1. The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at 31 <sup>st</sup> March,2014		As at 31 <sup>st</sup> March,2013	
	No. of Shares	Amount	No. of Shares	Amount
<b>Issued</b>				
Equity Shares at the beginning of the year	50,029,901	5,002.99	50,029,901	5,002.99
Add: Shares issued during the year	-	-	-	-
Equity Shares at the end of the year	<u>50,029,901</u>	<u>5,002.99</u>	<u>50,029,901</u>	<u>5,002.99</u>
<b>Subscribed &amp; Fully Paid Up</b>				
Equity Shares at the beginning of the year	49,995,701	4,999.57	49,995,701	4,999.57
Add: Shares issued during the year	-	-	-	-
Add: Amount paid up on forfeited Shares	-	1.71	-	1.71
<b>Equity Shares at the end of the year</b>	<u>49,995,701</u>	<u>5,001.28</u>	<u>49,995,701</u>	<u>5,001.28</u>

**Terms/Right attached to equity shares :**

1.2 The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**Terms/Right attached to preference shares :**

1.3 Preference shares issued by co. are non-cumulative, redeemable and have par value of Rs. 10 per share. Each preference shareholder is eligible for one vote per share only on resolution affecting their rights and interest. Shareholders are entitled to dividend at the rate of 5% p.a. which is non-cumulative. In the event of liquidation of the company before redemption, the holders of preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

1.4 The details of Equity Shareholders holding more than 5% shares:

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March 2014		As at 31 <sup>st</sup> March 2013	
	No of shares held	% Held	No of shares held	% Held
Rohini Forex Private Limited	3,343,134	6.69	3,343,134	6.69
Jush Developers And Erectors Private Ltd	3,806,000	7.61	3,806,000	7.61
Top Seals India Private Limited	6,976,714	13.95	6,976,714	13.95
Joyful Developers Private Limited	3,806,075	7.61	3,806,075	7.61
Money Capfin Pvt Ltd	4,235,796	8.47	4,235,796	8.47
Param Foundation Pvt. Ltd	6,053,987	12.11	6,053,987	12.11
Ruchi Acroni Industries Ltd.	388,852	0.78	2,837,352	5.68
Ruchi Infotech Ltd	3,899,263	7.80	-	0.00

As per the records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of equity shares.

1.5 During the period of five year immediately preceding the date of which the balance sheet is made :-

- (i) No bonus shares were issued.
- (ii) No shares were bought back.
- (iii) No shares are allotted for consideration other than cash by the company.

## NOTE 2 : RESERVES AND SURPLUS

### a) Capital Reserve

Balance as at the beginning of the period	10.00	10.00
Add : Received during the period		
Balance as at the end of the period	<u>10.00</u>	<u>10.00</u>

### b) Securities Premium Account

Balance as at the beginning of the period	599.03	599.03
Add: Premium on shares issued during the period		
Balance as at the end of the period	<u>599.03</u>	<u>599.03</u>

### C) Surplus in Statement of Profit and Loss

Balance as at the beginning of the year	703.71	164.37
Add : Surplus for the year	<u>213.15</u>	<u>539.33</u>
Balance as at the end of the year	<u>916.86</u>	<u>703.70</u>
<b>Total</b>	<b><u>1,525.89</u></b>	<b><u>1,312.73</u></b>

## NOTE 3 : SHARE APPLICATION MONEY

Shares Application money pending for allotment of Redeemable Preference Shares

	-	670.00
<b>Total</b>	<b>-</b>	<b>670.00</b>

## NOTE 4 : LONG TERM BORROWINGS

### (I) Secured

(i) Term Loans		
From Banks	1,245.49	2,136.39
(ii) Working Capital Term Loan		
From Banks	<u>1,890.96</u>	<u>2,090.77</u>
	<u>3,136.45</u>	<u>4,227.16</u>
Less : Shown under Current Maturities of Long Term Debt	<u>1,005.00</u>	<u>1,005.00</u>
	<u>2,131.45</u>	<u>3,222.16</u>

### (II) Un Secured

Intercorporate Deposits	<u>1,300.00</u>	-
<b>Total</b>	<b><u>3,431.45</u></b>	<b><u>3,222.16</u></b>

**Secured****(i) Term Loan - From Banks****a. State Bank of India**

The term loan from State Bank of India transferred as part of slump sale referred to in note 37 outstanding Rs.450.00 Lacs as at 31.03.2014 (Previous year Rs.945.08 Lacs) is secured by Pari passu first charge yet to be created/registered over the Company's entire fixed assets situated at Village Sejwaya Ghatabillod, District Dhar (M.P.) or at such other places as may be approved by the Bank from time to time with other term lender. The loan is further secured by second charge yet to be created/registered over the Company's entire current assets including stocks of raw materials, finished goods, receivable and other current assets on pari passu basis.

The Term Loan is repayable in 16 quarterly installment comprising of First eight installments of Rs. 75.00 lacs and Last eight installments of Rs. 112.50 lacs each. First installment of Rs. 75.00 lacs starting from April 2011 and and last installment of Rs. 112.50 lacs is due on Jan-2015. Rate of interest 14.45 %. (Pre. Year 13.40%) p.a. as at the year end.

**b. Allahabad Bank**

The term loan from Allahabad Bank transferred as part of slump sale referred to in note 37 disbursed amount Rs. 1438.00 lacs, outstanding Rs.795.49 Lacs as at 31.03.2014 (Previous Year Rs.1191.31 Lacs) is secured by Pari passu first charge yet to be created/registered over the Company's entire fixed assets (except land measuring 1.672 hectare charged exclusively for SBI) situated at Village Sejwaya Ghatabillod, District Dhar (M.P.) or at such other places as may be approved by the Bank from time to time with other term lender. The loan is further secured by second charge yet to be created/registered over the Company's entire current assets including stocks of raw materials, finished goods, receivable and other current assets on pari passu basis.

The Term Loan is repayable in 28 quarterly installments comprising of First twenty four installments of Rs.86.75 Lacs each and Last four installments of Rs. 89.00 Lacs each. First installment of Rs. 86.75 lacs starting from June 2012 and last installment of Rs. 89.00 lacs is due on March 2019. Rate of interest 13.20 %. (Pre. Year 13.20%) p.a. as at the year end.

During the year company has defaulted in repayment of Term Loan to the bank of Rs. 41.24 Lacs as at 31.03.2014 which is paid subsequently.

**(ii). Working Capital Term Loan - From bank****State Bank of India**

Working capital term loan from State Bank of India transferred as part of slump sale referred to in note 37 outstanding Rs.1890.96 Lacs as at 31.03.2014 (Previous year Rs. 2090.77) is secured by Pari passu first charge yet to be created/registered over the Company's entire fixed assets situated at Village Sejwaya, Ghatabillod, District Dhar (M.P.) or at such other places as may be approved by the Bank from time to time with other term lender. The loan is further secured by second charge yet to be created/registered over the Company's entire current assets including stocks of raw material, finished goods, receivable and other current assets on pari passu basis.

The Term Loan is repayable in 24 quarterly installment comprising of Eight installments of Rs. 52.00 lacs, Next four installments of Rs. 85.00 lacs, Next four installments of Rs. 98.625 lacs and Last eight installments of Rs.110.00 Lacs each. Last installment of Rs. 110.00 lacs is due on March 2019. Rate of interest 14.45 %. (Pre. Year 14.15%) p.a. as at the year end.

Secured Long term borrowings aggregating to Rs.3141.69 Lacs (Including interest accrued and due Rs.5.24 Lacs), previous year Rs.4227.15 Lacs, are personally Guaranteed by of Shri Umesh Shahra (Director) and Shri Kailash Chandra Shahra and Corporate guarantee of Ruchi Infotech Ltd and Param Foundation Pvt Ltd is for SBI working capital term loan only.

The charge over immovable properties in favour of lenders' of Term loan yet not created by subsidiary company.

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>NOTE 5 : OTHER LONG-TERM LIABILITIES</b>		
Security Deposit	4.24	4.24
<b>Total</b>	<u>4.24</u>	<u>4.24</u>
<b>NOTE 6 : LONG TERM PROVISIONS</b>		
For Employee Benefits	59.98	66.48
<b>Total</b>	<u>59.98</u>	<u>66.48</u>
<b>NOTE 7 : SHORT TERM BORROWINGS</b>		
<b>Loans repayable on demand</b>		
<b>Secured</b>		
Working Capital Loans		
From Banks	3,333.35	3,567.30
(Refer Note (i) below for security )		
<b>Unsecured</b>		
Intercompany Deposits	45.00	35.00
Deposit from Public	120.00	97.11
<b>Total</b>	<u>3,498.35</u>	<u>3,699.41</u>
<b>(i) Working Capital Limits are secured by:</b>		
A. Hypothecation of all Current assets i.e. stocks of raw materials, stock in process, finished goods, consumable stores and spares, packing materials, book debts, receivables and other current assets etc., ranking pari-passu amongst consortium members.		
B. Second Charge on Pari-Passu basis over the Company's entire fixed assets yet to be created.		
C. Working capital Loan aggregating to Rs. 3333.35 Lacs are personally Guaranteed by Shri Umesh Shahra (Director) & Shri Kailash Chandra Shahra and Corporate Guarantee of Ruchi Strips & Alloys Ltd. (holding co.)		
<b>NOTE 8 TRADE PAYABLE</b>		
Due to Micro, Small and Medium Enterprises		-
Due to Others	13,161.85	14,280.02
(Refer Note No. 29 & 30 )		
<b>Total</b>	<u>13,161.85</u>	<u>14,280.02</u>
<b>NOTE 9 : OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Debt	1,005.00	1,005.00
(Refer note no.4 for details of security)		
Interest accrued but not due on borrowing	0.83	0.77
Interest accrued & due on term loan	5.24	-
<b>Other Payables</b>		
Statutory Dues	142.02	202.83
Overdraft from Bank (as per books)	153.28	0.48
Advances from Customers	1,792.31	3,657.31
Credit Balance of Employees	-	0.45
Other liabilities	284.69	334.51
<b>Total</b>	<u>3,383.37</u>	<u>5,201.35</u>
<b>NOTE 10 : SHORT TERM PROVISIONS</b>		
For employee benefit	26.15	27.88
For Taxation (Net of advance tax Rs.733.59 Lacs Pre Yr Rs.637.22 Lacs)	56.75	110.09
For Excise Duty on Closing Stock	372.05	322.05
<b>Total</b>	<u>454.95</u>	<u>460.02</u>

**Note 11 : Fixed Assets**

₹ in Lacs

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK			
	As at 01.04.2013	Additions	Deductions	As at 31.03.2014	Upto 31.03.2013	For the Year	On Deductions	Upto 31.03.2014	As at 31.03.2014	As at 31.3.2013
Freehold land	126.90	87.59	-	214.49	-	-	-	-	214.49	126.90
Buildings	1,008.65	-	-	1,008.65	46.48	30.15	-	76.63	932.02	962.17
Plant & Machinery	3,559.38	-	-	3,559.38	436.17	232.66	-	668.83	2,890.55	3,123.21
Furniture & Fixtures	36.37	1.88	-	38.25	4.87	2.30	-	7.17	31.08	31.50
Office Equipments	79.62	36.20	-	115.82	17.18	11.78	-	28.96	86.86	62.44
Vehicles	59.73	17.55	5.26	72.02	9.38	6.05	1.25	14.18	57.84	50.35
Total	4,870.65	143.22	5.26	5,008.61	514.08	282.94	1.25	795.77	4,212.84	4,356.57
Previous Year	3,396.28	1,476.72	2.25	4,870.75	102.39	412.02	0.33	514.08	4,356.57	
Capital Work in Progress									531.66	445.01

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>NOTE 12 : NON CURRENT INVESTMENTS</b>		
<b>In other than Subsidiaries Companies (Non Trade Investment)</b>		
10000 Equity Shares of Rs.10/-each fully paid in NICPL INFRALINKS Pvt. Ltd.	-	1.00
1,50,000 Equity Shares of Rs.10 each fully paid in Ruchi Global Limited.	<u>15.00</u>	<u>15.00</u>
<b>Total</b>	<u><b>15.00</b></u>	<u><b>16.00</b></u>
<b>NOTE 13 : DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Liabilities</b>		
Depreciation difference on Fixed Assets	(114.39)	(125.62)
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation	130.31	143.33
Business Loss	307.52	362.47
Disallowance under the Income Tax Act 1961	<u>13.22</u>	<u>21.78</u>
<b>Total</b>	<u><b>336.66</b></u>	<u><b>401.96</b></u>
<b>NOTE 14 : LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
Capital Advances	169.41	822.43
Balances with Government Authorities	173.54	173.99
Security Deposits	<u>144.68</u>	<u>130.62</u>
<b>Total</b>	<u><b>487.63</b></u>	<u><b>1,127.04</b></u>
<b>NOTE 15 : INVENTORIES</b>		
(As valued and certified by management)		
Raw Materials	1,846.33	3,906.41
Work in Progress	2,159.21	1,862.04
Finishes Goods	3,597.44	3,034.08
Stores, Spares and Consumables	<u>281.55</u>	<u>283.11</u>
<b>Total</b>	<u><b>7,884.53</b></u>	<u><b>9,085.64</b></u>
<b>(a) Details of Raw Materials :</b>		
HR Coil	1,846.33	3,906.41
<b>(b) Details of Work in Progress :</b>		
Semi Finished CR Coil/Sheet	2,159.21	1,862.04
<b>(c) Details of Finished Goods :</b>		
Cold Rolled closely annealed	<u>3,597.44</u>	<u>3,034.08</u>
<b>Total</b>	<u><b>7,602.98</b></u>	<u><b>8,802.53</b></u>
<b>NOTE 16 : TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Outstanding Over Six Months from the date they are due for payment	168.78	1,343.47
Other debts	<u>11,170.58</u>	<u>13,366.74</u>
<b>Total</b>	<u><b>11,339.36</b></u>	<u><b>14,710.21</b></u>
<b>NOTE 17 : CASH AND BANK BALANCES</b>		
<b>a. Cash and Cash Equivalents</b>		
i. Balances with Banks		
in Current Accounts	171.70	129.29
in Deposit Accounts Against margin money (under lien) with maturity upto 3 months.	248.46	16.58
ii. Cash on hand	<u>6.04</u>	<u>7.14</u>
	<b>426.20</b>	<b>153.01</b>
<b>b. Other Bank Balances</b>		
In Deposit account Against margin money (under lien) : Having maturity of more than 3 months upto 12 months	<u>1,923.73</u>	<u>1,900.13</u>
<b>Total</b>	<u><b>2,349.93</b></u>	<u><b>2,053.14</b></u>



₹ in Lacs

Particulars	As at 31 <sup>st</sup> March 2014	As at 31 <sup>st</sup> March 2013
<b>NOTE 18 : SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Security Deposits	-	0.77
Loans and Advances to Employees	7.78	8.20
Balance with Government Authorities	603.03	550.24
Advance to Suppliers	2,968.56	941.50
Others Advances recoverable in cash or in kind for value to be received	319.04	149.34
<b>Total</b>	<b><u>3,898.41</u></b>	<b><u>1,650.05</u></b>

**NOTE 19 : OTHER CURRENT ASSETS**

(Unsecured, considered good)		
Interest Accrued on deposits	20.49	17.65
Other Receivable	114.85	54.42
<b>Total</b>	<b><u>135.34</u></b>	<b><u>72.07</u></b>

Particulars	For the year ended 31 <sup>st</sup> March 2014	For the period ended 31 <sup>st</sup> March 2013 (18 Months)
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**NOTE 20 : REVENUE FROM OPERATIONS**

Sales of Products	105,307.69	182,482.89
Job Work Processing Charges	116.69	192.59
Other Operating Revenue	61.03	32.53
	<u>105,485.41</u>	<u>182,708.01</u>
Less: Excise Duty	4,406.46	5,837.52
<b>Total</b>	<b><u>101,078.95</u></b>	<b><u>176,870.49</u></b>
<b>Details of Sales of product</b>		
a) Cold Rolled Strips/Sheets	54,280.16	77,607.30
b) Hot Rolled Coil	6,445.64	6,275.48
c) Other steel products	18,592.74	54,906.24
d) Others	25,989.15	43,693.87
	<u>105,307.69</u>	<u>182,482.89</u>

**NOTE 21 : OTHER INCOME**

Interest Income	203.08	217.23
Profit on sale of Fixed Assets	-	1.38
Sales Tax refund	90.23	-
Other non-operating income	52.77	582.74
<b>Total</b>	<b><u>346.08</u></b>	<b><u>801.35</u></b>

**NOTE 22 : COST OF MATERIALS CONSUMED**

Raw Materials Consumed	26,150.72	37,015.99
	<u>26,150.72</u>	<u>37,015.99</u>

Imported and Indigenous Raw materials consumed:	2013-14		2012-13	
Raw Material	Rs. In Lacs	% of consumption	Rs. In Lacs	% of consumption
Imported	2,922.66	11.18%	12,585.44	34.00%
Indigenous	23,228.06	88.82%	24,430.55	66.00%
	<u>26,150.72</u>	<u>100.00%</u>	<u>37,015.99</u>	<u>100.00%</u>

**Details of Raw Materials**

Hot Rolled Coils		26,150.72	37,015.99
<b>Total</b>		<b><u>26,150.72</u></b>	<b><u>37,015.99</u></b>

₹ in Lacs

PARTICULARS	For the year ended 31 <sup>st</sup> March 2014	For the period ended 31 <sup>st</sup> March 2013 (18 Months)
<b>NOTE 23 : PURCHASES OF STOCK IN TRADE</b>		
Purchases	66,851.33	124,923.62
<b>Total</b>	<b><u>66,851.33</u></b>	<b><u>124,923.62</u></b>
<b>Details of Purchase of stock in trade</b>		
a) Hot Rolled Coil	6,378.52	6,062.21
b) Other steel products	34,536.13	75,265.65
c) Others	25,936.68	43,595.76
<b>Total</b>	<b><u>66,851.33</u></b>	<b><u>124,923.62</u></b>
<b>Note 24 : Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade</b>		
<b>Inventory at the end of the year</b>		
Stock-in-Trade	-	-
Finished Goods	3,597.44	3,556.36
Work in Progress	2,159.21	1,862.04
	<u>5,756.65</u>	<u>5,418.40</u>
<b>Less: Inventory at the Beginning of the year</b>		
Finished Goods	3,034.07	4,356.53
Work in Progress	1,862.04	1,874.24
Stock-in-Trade	-	43.70
	<u>4,896.11</u>	<u>6,274.47</u>
<b>Net (Increase)/Decrease in Inventories</b>	<b><u>(860.54)</u></b>	<b><u>856.07</u></b>
Add: Variation in Excise duty on Closing Stock	50.00	(68.37)
	<u>(810.54)</u>	<u>787.70</u>
<b>NOTE 25 : EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Wages	945.57	1,502.87
Contribution to Provident and other funds	50.50	77.92
Staff Welfare Expenses	60.48	100.37
<b>Total</b>	<b><u>1,056.55</u></b>	<b><u>1,681.16</u></b>
<b>NOTE 26 : FINANCE COSTS</b>		
Interest expenses	2,196.83	2,938.28
Other Borrowing Cost	371.25	661.24
Net Loss on Foreign Currency Transactions and Translation	772.79	1,650.63
<b>Total</b>	<b><u>3,340.87</u></b>	<b><u>5,250.15</u></b>
<b>NOTE 27 : OTHER EXPENSES</b>		
Consumption of Stores, Spares, consumable	585.14	1,088.44
Power and Fuel	1,521.16	2,076.35
Processing Charges	82.13	204.10
Rent	63.80	74.59
Repairs to Buildings	3.66	18.23
Repairs to Machinery	16.67	29.25
Repairs others	38.14	58.38
Insurance	25.05	59.03
Rates and Taxes ,excluding taxes on income	42.49	6.32
Freight and forwarding charges	1,251.26	1,928.98
Export Expenses	54.00	190.31
Travelling & Conveyance Expenses	98.57	169.26
Miscellaneous Expenses	386.22	760.37
<b>Total</b>	<b><u>4,168.29</u></b>	<b><u>6,663.61</u></b>

(All Amount ₹ in Lacs)

**NOTE 28 : Contingent Liabilities and commitments**

(to the extent not provided for )

	2013-2014	2011-2013
<b>A. Contingent liabilities :</b>		
i) Guarantees issued by Bank	112.36	202.44
ii) Income Tax/ Sales Tax/Customs Duty/ Excise Duty /other demands disputed in appeals.	533.54	431.68
iii) Estimated liability of Custom duty which may arise if export obligation is not fulfilled	481.94	205.34
<b>B. Commitments :</b>		
i) Estimated amount of contracts remaining to be executed on capital commitment (Net of Advance)	1172.34	1135.33

**NOTE 29 :** Trade payables include bills payable for purchase of goods Rs. 7446.97 Lacs (Previous Year Rs.8744.05 Lacs ).

**NOTE 30 :** a.Trade Payables includes Nil (Previous Year Nil) amount due to micro small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) Act.

b.The details of amount outstanding to Micro, Small and Medium Enterprises are as under :

Particulars	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
Principle amount due and remain unpaid	-	-
Interest due on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years	-	-

c. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

**NOTE 31 : RELATED PARTY DISCLOSURE**

**List of Related Parties and Relationships**

**Party Name**

**a. Parties where control exists:**

Great Eastern Infrastructure Corporation Private Limited  
Mahadeo Shahra & Sons Private Limited  
Mani Real Estate Private Limited  
Ruchi Corporation Limited  
Ruchi Equity Growth Private Limited  
Ruchi Finance & Investment Private Limited  
Shahra Sons Private Limited  
Steel Technologies India Limited

**b. Key Management Personnel and their relative**

Mr. Umesh Shahra (Managing Director)  
 Mr. Kailash Shahra (Father of Managing Director)  
 Mrs. Savitri Devi Shahra (Mother of Managing Director)  
 Mrs. Sandhya Khandelwal (Sister of Managing Director)  
 Mrs. Mamta Khandelwal (Sister of Managing Director)  
 Mrs. Neeta Shahra (Wife of Managing Director)  
 Ms. Sunaina Shahra (Daughter of Managing Director )  
 Mr. Suyash Shahra (Son of Managing Director )  
 Ms. Supriya Shahra (Daughter of Managing Director)  
 Mr. Arvind Mishra ( Director)

**c. Entities where Key Management Personnel & relatives of Key Management Personnel have significant influence:**

Indian Steel Corporation Limited  
 Mahakosh Paper Private Limited  
 Revati Cements Private Limited  
 Suyash Trust  
 Pushkar Trust  
 Suyesh Trust

**d. Transaction carried out with related parties referred in above, in ordinary course of business during the existence of related party relationship.**

(All Amount ₹ in Lacs)

NATURE OF TRANSACTIONS	2013-2014	2011-2013
31 (b)		
<b>Mr. Kailash Shahra</b>		
Rent paid	1.44	2.16
<b>Mr. Umesh Shahra</b>		
Remuneration	20.16	27.00
<b>Ms. Savitri Devi Shahra</b>		
Rent	10.74	-
Outstanding:		
Payable	0.81	-
<b>Mr. Arvind Mishra</b>		
Remuneration	15.07	22.62
31(c)		
<b>Indian Steel Corporation Ltd.</b>		
Sales	2,861.72	4,850.14
Purchases	1,772.78	2,318.16
Commission Received	25.92	36.47
Receivable / (Payable)	(272.33)	972.19
Payable against consignment sale	594.93	1,612.01
<b>Revati Cement P. Limited</b>		
Purchases	8.51	-
<b>Suyash Trust</b>		
Rent	0.67	0.97
<b>Pushkar Trust</b>		
Rent	1.32	1.20

(All Amount ₹ in Lacs)

**NOTE 32 : SEGMENT REPORTING**

Particulars	Steel		Other		Unallocable		Total	
	2013-14	2011-13	2013-14	2011-13	2013-14	2011-13	2013-14	2011-13
Segment Revenue	75,232.81	133,759.36	25,989.14	43,693.87	203.08	218.61	101,425.03	177,671.84
Segment Results (PBIT)	3,646.92	6,183.37	17.13	9.98	61.69	(5.61)	3,725.74	6,187.74
Less: Finance Cost	-	-	-	-	-	-	3,340.87	5,250.15
Profit before exceptional and extraordinary items and tax	-	-	-	-	-	-	384.87	937.59
Exceptional and Extraordinary Items	-	-	-	-	-	-	(4.30)	-
Profit Before Tax	-	-	-	-	-	-	389.17	937.59
Less: Current Tax	-	-	-	-	-	-	100.18	239.24
Deferred Tax (Assets)/Liabilities	-	-	-	-	-	-	65.31	159.02
Income tax for earlier year	-	-	-	-	-	-	10.53	-
Profit After Tax	-	-	-	-	-	-	213.15	539.33
Segment Assets	26,090.09	27,914.80	2,059.36	1,913.87	2,689.25	2,385.80	30,838.70	32,214.47
Segment Liabilities	13,843.08	15,485.77	1,994.41	2,121.30	165.15	4.68	16,002.64	17,611.75
Capital Expenditure	87.60	560.41	-	-	55.63	33.56	143.22	593.96
Segment Depreciation	262.81	386.77	2.31	-	17.83	25.25	282.94	412.02
Non Cash expenditure other than depreciation	-	-	-	-	-	-	-	-

**b. Secondary Segment Geographical**

	2013-14	2011-13
The Company's Operating Facilities are located in India.		
Domestic Revenue	66,400.13	161,233.29
Export Revenue	7,753.74	16,438.55
Total	74,153.87	177,671.84
Unallocable segment liabilities exclude the following :-		
Secured Loans		
Long term	2,131.45	3,222.16
Short term	3,333.35	3,567.31
Current maturity of long term debt	1,005.00	1,005.00
Unsecured Loans	-	-
Long term	1,300.00	-
Short term	165.00	132.11
Provision for Tax (Net of advance tax)	56.75	110.09
Unallocable segment assets exclude		
Non Current Investment	15.00	16.00
Deferred tax Assets Net	336.66	401.96

**NOTE 33 :** In the opinion of Board of Directors, Non current / current assets and, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.

**NOTE 34 : AUDITORS REMUNERATION**

	2013-2014	2011-2013
(a) Statutory Audit	1.50	2.25
(b) Tax Audit	0.50	0.50
(c) Other Services	0.95	2.05
(d) Reimbursement of Expenses	0.13	0.55

(All Amount ₹ in Lacs)

**NOTE 35 : EARNING PER SHARE (EPS)**

	2013-14	2011-13
<b>I Basic and Diluted Earning Per Share</b>		
(a) Net Profit after tax	213.15	539.33
(b) Less : Preference Dividend including tax there on	0	0
(c) Profit available for Equity Shareholders	208.85	539.33
(d) Weighted Average Number of Equity Shares (Nos.)	49995701	49995701
(e) Nominal Value of Per ordinary Share (Rs.)	10	10
(f) Basic Earning Per Share (Rs.) Previous year figure not annulised.	0.43	1.08

**NOTE 36 : DISCLOSURE ON FINANCIAL AND DERIVATIVE INSTRUMENTS:**

The Company uses foreign currency forward exchange contracts to hedge its exposures in foreign currency related to firm commitment and highly probable forecasted transactions.

i) Notional amounts of forward contract entered into by the company and outstanding are as under :

Particulars	2013-14				2011-13			
	No. of Contracts	Currency	Amount in foreign Currency	Equivalent amount in INR	No. of Contracts	currency	Amount Payable in foreign currency	Equivalent amount in INR
Import of Materials	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ii) Foreign currency exposure which are not hedged as at year end :

Particulars	2013-14				2011-13					
	currency	Payable in foreign currency	Amount In INR	Receivable in foreign Currency	Amount In INR	Currency	Payable in in foreign Currency	Amount in INR	Receivable in foreign Currency	Amount in INR
US \$	56.12	3372.63	39.51	2374.59	US \$	143.95	7829.41	70.72	-	3846.28
Euro	-	-	-	-	Euro	11.18	777.28	-	-	-

**NOTE 37 : LEASES** - Where company is Lessee

The Company has taken various premises under operating leases with no restrictions and is renewable / cancelable at the option of either party. There are no sub leases. There are no restrictions imposed by lease arrangements. . The company has not recognized any contingent rent as expense in the statement of profit and loss.

The total future minimum lease rentals payable at the balance sheet date is as under:

The aggregate amount of operating lease payments recognized in the statement of profit and loss is Rs.63.80 (Previous Year Rs.74.59)

**NOTE 38 :** The financial statements have been prepared in line with the requirements of Revised Schedule VI of Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from the financial year ended on 31st March 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 month period as operating cycle. Consequently, the company has re-classified previous year figures to confirm to this year's classification.

**NOTE 39 :** The financial statement of current and previous period are not comparable since previous period figures are of eighteen months

**NOTE 40 :** Previous year's figures are regrouped / rearranged wherever considered necessary to make comparison with current year's figures.

**NOTE 41 :** General Company Information Significant Accounting policies and practices adopted by the Company are as under :

**I. Basis of Consolidation :**

1. The consolidated financial statements of Ruchi Strips and Alloy Limited and its wholly owned subsidiary RSAL Steel Private Limited are prepared under historical cost convention and in accordance with the provisions of the companies act, 1956 and applicable accounting standards (AS-21) issued by the institute of chartered accountants of India.
2. The financial statements of wholly owned subsidiaries company used in consolidation is drawn up to the same reporting date of the company.
3. The consolidated financial statements have been prepared on the basis of the followings:
  - a. The financial statements of the company and its wholly owned subsidiary have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses.
  - b. Inter company balances, transaction and resulting unrealized profit or losses have been eliminated in full.

**II. Statement of Significant Accounting Policies**

**a) Basis of Accounting**

The financial statements are prepared as a going concern under the historical cost convention on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles (GAAP), Accounting Standards Issued by the Institute of Chartered Accountants of India, as applicable and the relevant provisions of the Companies Act, 1956.

**b) Use of Estimates**

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and the estimates are recognized in the period in which the results are known/ materialized.

**c) Revenue recognition**

The Company follows mercantile system of the accounting and recognise income and expenditure on accrual basis except those with significant uncertainties.

Sales revenue is recognised on transfer of the significant risks and rewards of ownership of the goods to the buyer and stated net of sales tax, VAT, trade discounts and rebates but includes excise duty.

Interest income is recognised on time proportion basis.

Income from services is recognised as they are rendered (based on arrangement / agreement with the concern customers).

The Export incentives are accounted for on accrual basis taking into account certainty of realisation or its subsequent utilisation.

**d) Fixed Assets**

**i. Fixed Assets**

Fixed assets (Tangible and Intangible) are stated at cost of acquisition or construction or development , net of tax /duty credit availed if any, including any cost attributable for bringing the assets to its working condition for its intended use, less depreciation, amortization and impairments, if any, (except freehold land).

**ii. Capital Expenditure**

Assets under erection/installation and advance given for Capital Expenditure are shown as "Capital work in progress", Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installations of the assets.

**e) Depreciation**

Depreciation on fixed assets is provided on straight line method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Depreciation on assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition / disposal, except for low value items costing Rs. 5,000/- or less are written off fully in the year of purchase.

In respect of addition / extensions forming integral part of existing assets and on revised carrying amount of the assets identified as impaired, depreciation has been provided over residual life of the respective fixed assets.

**f) Borrowing cost**

Borrowing cost attributable to the acquisition or construction of qualifying assets are added to / capitalized as part of the cost of such asset up to the date when such assets is ready for its intended use. Other borrowing costs are charged to Statement of Profit and Loss as expense in the year in which they are incurred.

**g) Valuation of inventories**

Inventories are valued at lower of cost or net realizable value on FIFO basis, except by-product/scrap is valued at net realizable value and goods in transit which is stated at cost. Value of stores, spares, consumables and packing materials are arrived at by using Moving Average Price Method. Cost of inventory of finished goods and work in progress is generally comprises of cost of purchases, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Finished Goods lying in the factory premises are valued inclusive of excise duty.

**h) Foreign currency transaction**

- i. All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place; any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the statement of Profit & Loss.
- ii. Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the statement of Profit & Loss.
- iii. In respect of the Forward Exchange Contracts entered into to hedge foreign currency risks, the difference between the Forward Rate and Exchange Rate at the inception of the contract is recognized as income or expense over the life of the contract. Further, the exchange difference arising on such contracts are recognized as income or expense along with the exchange difference on the underlying assets/ liabilities.

**i) Lease Accounting**

**As a Lessee**

Leases, where risk and reward of ownership, are significantly retained by the lessor are classified as operating leases and lease rentals thereon are charged to the statement of profit and loss over the period of lease.

**j) Provision, Contingent Liabilities and Contingent Asset**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

**k) Taxes on Income**

Provision for Current Tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on the timing difference, being the difference between taxable income and the accounting income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

**l) Segment Accounting**

Segment Accounting Policies :-

Following accounting policies have been followed by the company for segment reporting:

- 1) The Company has disclosed business segment as the primary segment. Segments have been identified taking into account the type of products, the differing risk and returns and the internal reporting system. The various segments identified by the Company comprised as under :

Name of Segment	Comprised of
Steel	- Steel Manufacturing and Trading
Other	- DOC, Soyameal, Gram etc.

By products related to each segment have been included in respective segment.



- 2) Segment revenue, segment results, segment assets and segment liabilities includes respective amounts directly identified with the segment and also an allocation on reasonable basis of amounts not directly identified. The expenses which are not directly relatable to the business segment are shown as un allocable corporate cost. Assets and liabilities that cannot be allocated between the segments are shown as un allocable corporate assets and liabilities respectively. Inter segment revenue are recognized at sale price.

**m) Impairment of Assets**

The carrying amount of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/ external factors.

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed if there has been an indication that impairment loss recognised for an asset no longer exists or may have decreased.

**n) Cash Flow Statement**

Cash Flows are reported using indirect method, whereby Profit (loss) before extraordinary items and tax is adjusted for the effect of transactions of non cash nature and any deferrals or accruals of the past or future cash receipts or payments. The Cash Flow from Operating, Investing and Financial activities of the Company is segregated based on the available information.

**AS PER OUR REPORT OF EVEN DATE**

**FOR ARUN MAHESHWARI & CO.  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD  
OF DIRECTORS**

**CA Arun Maheshwari**  
(Proprietor)  
M. No : 70354

**Deepak Upadhyay**  
Company Secretary

**Kailash Chandra Shahra**  
Chairman

Place : Indore  
Date : 29<sup>th</sup> May, 2014

**Ravi Deshmukh**  
C.F.O.

**Umesh Shahra**  
Managing Director

**STATEMENT UNDER SECTION 212(8) RELATING TO SUBSIDIARY COMPANY**

**Rs. In Lacs**

Name of Subsidiary Company	:	RSAL Steel Private Limited
Relation	:	Wholly owned subsidiary
Date from which it is subsidiary	:	29/12/2010
Capital	:	5749.87
Reserves	:	920.91
Total Assets	:	30157.30
Total Liabilities (Excluding Capital and Reserves)	:	23486.52
Investments (Other than in subsidiary companies)	:	Nil
Turnover	:	78308.00
Profit before Taxation	:	309.84
Provision for taxation	:	77.37
Profit after taxation	:	232.47
Proposed Dividend	:	Nil



**RUCHI STRIPS AND ALLOYS LIMITED**

Regd. Off.: 611, Tulsiani Chambers, Nariman Point, Mumbai – 400 021  
 E-mail : ruchistrips@ruchigroup.com, Website: www.ruchistrips.com  
 CIN: L27100MH1987PLC142326  
 Tel.: 022-22851303 Fax: 022-22823177

**ATTENDANCE SLIP**

I/We record my/our presence at the Annual General Meeting of Ruchi Strips and Alloys Limited on Thursday, 25th day of September 2014 at 11.30A. M. at Sunvile Deluxe Pavilion, Sunvile Building, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018.

NAME OF THE SHAREHOLDER/PROXY (in Block Letters)	
FOLIO NO./DP ID/ CLIENT ID NO.	
SIGNATURE OF THE SHAREHOLDER/PROXY	

Note: You are requested to sign and handover this slip at the entrance of the meeting venue.

**Form No. MGT-11  
Proxy form**

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

CIN: L27100MH1987PLC142326  
 Name of the company: RUCHI STRIPS AND ALLOYS LIMITED  
 Registered office: 611, Tulsiani Chambers, Nariman Point, Mumbai – 400 021

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

- Name: .....  
 Address : .....  
 E-mail Id:.....  
 Signature: \_\_\_\_\_, or failing him
- Name: .....  
 Address : .....  
 E-mail Id:.....  
 Signature: \_\_\_\_\_, or failing him
- Name: .....  
 Address : .....  
 E-mail Id:.....  
 Signature: \_\_\_\_\_.

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on the 25th day of September, 2014 at 11:30 A.M at Sunvile Deluxe Pavilion, Sunvile Building, 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.:	For	Against
1. Adoption of Financial Statements for the year ended 31st March, 2014		
2. Re-appointment of Mr. Manish Jain who retires by rotation.		
3. Appointment of M/s Arun Maheshwari & Co, as Statutory Auditor and fixing their remuneration.		
4. Appointment of Mr. Vijay Kumar Mahajan as an Independent Director		
5. Appointment of Mr. Navin Khandelwal as an Independent Director		
6. Appointment of Ms. Ishita Khandelwal as an Independent Director		
7. Appointment of Ms. Puneet Bedi as an Independent Director		
8. Re-appointment of Mr. Umesh Shaha as Managing Director		
9. Approval under section 180(1)(c) of Companies Act, 2013 to borrow money from Banks, Financial Institutions or elsewhere		
10. Approval for creation of charge/mortgage on property of the Company u/s 180(1)(a) of the Companies Act, 2013		
11. Approval of material related party transactions under Clause 49 of the Listing Agreement		
12. Approval of material related party transactions under Clause 49 of the Listing Agreement		

Signed this .....day of .....2014

Signature of Shareholder

Signature of Proxy Holder(s)

Affix Revenue Stamp
---------------------------

Note: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.



BOOK - POST

*If undelivered please return to:*

**SARTHAK GLOBAL LIMITED**

Unit: **RUCHI STRIPS & ALLOYS LIMITED**

170/10, Film Colony, R.N.T. Marg,  
Indore - 452 001

E-mail : [sgl@sarthakglobal.com](mailto:sgl@sarthakglobal.com)



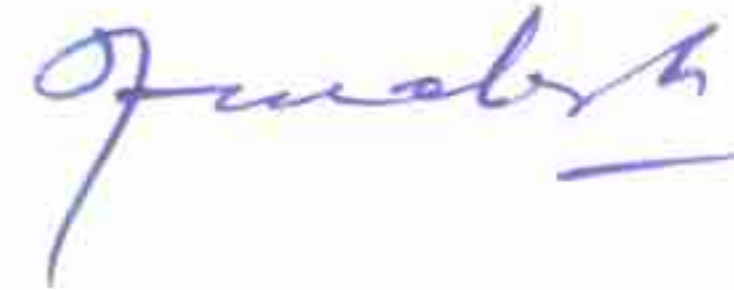


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Nath Mandir Road, Indore - 452001. INDIA.  
Phone : +91 731 2518124-25-26.  
Fax : +91 731 2518127.

CIN: L27100MH1987PLC142326

## Form A

(Pursuant to SEBI Circular No. CIR/CFD/DIL/7/2012 dt. August 13, 2012)

1.	Name of the Company	Ruchi Strips And Alloys Limited
2.	Annual financial statement for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by:	
	<ul style="list-style-type: none"><li>Mr. Umesh Shahra, (Managing Director)</li></ul>	
	<ul style="list-style-type: none"><li>Mr. Ravi Kumar Deshmukh, (Chief Financial Officer)</li></ul>	
	<ul style="list-style-type: none"><li>Mr. Arun Maheshwari, Proprietor Arun Maheshwari &amp; Co. (Statutory Auditors)</li></ul>	
	<ul style="list-style-type: none"><li>Mr. Navin Khandelwal (Chairman of Audit Committee)</li></ul>	