

Rathi Graphic Technologies Limited

An ISO 9001 : 2008 COMPANY
CIN: L26960UP1991PLC013770



Dated: 08/09/2018

To,

Department of Corporate Services,
The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Scrip Code: 524610

Subject: 25TH Annual Report of Company for Financial Year 2017-18 under Reg. 34 of SEBI (LODR), Regulations, 2015.

Dear Sir/s,

Pursuant to the regulation 34 of SEBI (LODR) Regulations, 2015, we are hereby sending copy of 25TH Annual Report of Company for Financial Year 2017-18 as approved at the meeting of Board of Directors on 03rd September, 2018.

This is for your information and record.

Kindly acknowledge the same.

Thanking you;

Rathi Graphic Technologies Limited

A handwritten signature in black ink, appearing to be "Praveen Sharma", written over a circular stamp or seal.

Authorized Signatory

Praveen Sharma

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25TH
ANNUAL-REPORT
2017-2018

Rathi Graphic Technologies Limited

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BOARD OF DIRECTORS:	1. Mr. Raj Kumar Rath 2. Mr. Anurag Yadav 3. Mrs. Shilpi Agarwal 4. Mr. Shiv Kumar 5. Mr. Neeraj Jain	Managing Director Independent Director Independent Director Chief Financial Officer Company Secretary (Upto 31/05/2018)
AUDITORS:	M/s Shalin Poddar & Associates, Chartered Accountants, (Firm Registration number: 020397C) 519-A, 5th Floor, S.L. Tower, Alpha-1, Commercial Belt, Greater Noida-201308 (U.P.)	
BANKERS:	State Bank of India Chandani Chowk, Delhi-110006	
REGISTERED OFFICE:	D-12A, Sector-9, New Vijay Nagar, Ghaziabad-201009 (U.P.) Ph.: (0120) 2840364-51, Fax: (0120) 2840352-53	
CORPORATE & MARKETING OFFICE:	24/1A, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044 Ph: 011-45002400 Fax: 011-45002410	
WORKS:	SP-921, RIICO Industrial Area Phase-III, Bhiwadi-301019 (Rajasthan)	
REGISTER & SHARE TRANSFER AGENT:	MAS Services Limited T-34, IInd Floor, Okhla Ind. Area Phase-II, New Delhi-110020 Ph: 011- 26387281-82-83 Fax: 011-26387284	
ASSOCIATE COMPANY:	RGTL Industries Limited 24/1A, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044 Ph: 011-45002400Fax: 01126991061	

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 25th ANNUAL GENERAL MEETING OF THE MEMBERS OF RATHI GRAPHIC TECHNOLOGIES LIMITED WILL BE HELD ON SATURDAY, THE 29TH DAY OF SEPTEMBER, 2018 AT 10.00 A.M. AT A-3, INDUSTRIAL AREA, SOUTH OF G.T. ROAD, GHAZIABAD (U.P.)-201009 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Audited Financial Statements including Balance Sheet as at 31st March, 2018 and the Profit and Loss Account for the year ended as on that date together with the Report of Director's and Auditor's thereon. (b) The Audited Consolidated financial statement of the Company for the financial year ended March 31, 2018 and the report of Auditor's thereon.

2. The Company has a Managing Director and other Directors are Independent directors. Hence, None of the Directors are liable to retire by rotation.

3. **To Ratify the appointment of Statutory Auditors and fix their remuneration and in this regard, the following resolution as an ORDINARY RESOLUTION :**

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), As recommended by Audit Committee, M/S Shalin Poddar & Associates, Chartered Accountants, (Firm Registration number: 020397C) be and is hereby re-appointed as Statutory Auditor of the Company to hold office for a term of Five (5) years subject to ratification by members at every Annual General Meeting from the conclusion of this meeting until the conclusion of the twenty Eight Annual General Meeting at such remuneration as may be determined by the Board of Directors of the Company from time to time."

IMPORTANT NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% (TEN PERCENT) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN 10% (TEN PERCENT) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE

PERSON AS PROXY AND SUCH PERSON CANNOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT HOURS (48 HRS) BEFORE THE COMMENCEMENT OF THE MEETING. A FORM OF PROXY AND ATTENDANCE SLIP IS ENCLOSED.

2. Members are requested to bring their copy of the Annual Report along with the duly filled attendance slip.
3. Members holding in Electronic form are requested to bring their Client ID and DP ID at the meeting for easy identification.
4. The Register of Member and Share Transfer Books of the Company will remain closed from Sunday, 23rd, September 2018 to Saturday 29th, September 2018 (both days inclusive).
5. The Members who are interested to avail of nomination facility may obtain the necessary application Form from Registrar & Share Transfer Agent.
6. All correspondence relating to the transfer and transmission, sub-division of shares, issue of duplicate share certificate, change of address, dematerialization of share etc. will be attended at the registered office of the Company and shall be processed at the office of Registrar & Share Transfer Agent.
7. Annual Listing fee for the year 2018-19 has been paid to the Stock Exchange(s) wherein shares are listed.
8. Documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days between 10.00 a.m. to 1.00 p.m. Prior to the Annual General Meeting.
9. Members desirous of obtaining any information/clarification(s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of the meeting to Company Secretary/Secretarial Executives at the Registered Office of the Company, so that the same may be attended to appropriately.
10. Members holding Physical Shares in multiple folios in identical names are requested to open their account with any of the Depository Participants available, as per the new regulations members can not hold the shares in physical forms, after opening the account, provide the details to Company's Registrar and Transfer Agent, M/s MAS Services Limited.

11. The Ministry of Corporate Affairs (Ministry), Government of India, has taken a Green Initiative in Corporate Governance by allowing paperless compliance by Companies through electronic mode. As per the Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, Companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report etc.) to their shareholders through electronic mode, to the registered email addresses of the shareholders.

12. In terms of Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs, under Green initiative in the Corporate Governance all the members are requested to intimate their e-mail address to the Company's Registrar and Transfer Agents whose e-mail id is info@masserv.com mentioning the Company's name i.e. Rathi Graphic Technologies Limited, so as to enable the Company to send the Annual Report and Accounts, Notices and other documents through Electronic mode to their e-mail address. Notices/documents including the Annual Report are now being sent by electronic mode to the shareholders whose e-mail id address has been registered with the Company. Members who would like to receive such notices/documents in electronic mode in lieu of physical copy and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses:

- a) in respect of electronic shareholding through their respective Depository Participants;
- b) in respect of shareholders who are still having their shareholding in physical mode - by sending a request to the Company's Share Transfer Agent- M/s MAS Services Limited at T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, mentioning therein the Company's name i.e. Rathi Graphic Technologies Limited, their folio number and e-mail address.

13. The route map showing directions to reach the venue of the 25th Annual General Meeting is annexed.

I. Voting Through Electronic Means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically on the resolutions set forth in this

notice for 25th Annual General Meeting of the Company.

The procedure and instructions for e-voting as given in the Notice of the 25th Annual General Meeting are again reproduced here under for easy reference:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically on the resolutions set forth in this notice for 25th Annual General Meeting of the Company.

The procedure and instructions for e-voting as given in the Notice of the 25th Annual General Meeting are again reproduced here under for easy reference:

I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/ Depositories):

- a. Open e-mail and open PDF file viz. "RGTL-remote e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
- b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- c. Click on Shareholder-Login.
- d. Put user ID and password as initial password noted in step (i) above. Click Login.
- e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- g. Select "EVEN" of "Rathi Graphic Technologies Limited".
- h. Now you are ready for remote e-voting as Cast Vote page opens.
- i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

- j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csmamtajain@gmail.com with a copy marked to evoting@nsdl.co.in.
- II. In case of Members receiving Physical copy of Notice of 25th Annual General Meeting (for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy)**
- a. Initial password is provided in the box overleaf.
 - b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.
- A. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - B. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - C. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - D. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Saturday, 22nd September, 2018.
 - E. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Saturday, 22nd September, 2018, may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA, MAS Services Limited info@masserv.com
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- F. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- G. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - H. Mrs. Mamta Jain, Practicing Company Secretary (Membership No. 2794), Proprietor, M/s. Mamta Jain & Associates has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - I. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - J. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - K. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.rathitoner.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

**By the order of the Board
For Rath Graphic Technologies Limited**

Raj Kumar Rath
(Managing Director)
(DIN : 00009569)

Date: 03.09.2018
Place: New Delhi

DIRECTOR'S REPORT

To,
The Members,
Rathi Graphic Technologies Limited

Your Directors have pleasure in presenting the Twenty Fifth Annual Report and Company's Financial Statements (Standalone and Consolidated) for the financial year ended 31st March, 2018

FINANCIAL SUMMARY

Particulars	31.03.2018	31.03.2017
Revenue from Operation	1867.95	3166.95
Profit before Interest, Depreciation & extraordinary item.	(599.14)	1015.18
Interest & Finance Expenses	69.40	125.73
Depreciation	64.47	65.94
Extraordinary Items	-	361.46
Profit before Tax (PBT)	(732.40)	462.02
Net profit after tax (PAT)	(732.40)	365.25

BUSINESS UPDATES AND STATE OF COMPANY'S AFFAIRS

During the year under review, your company has achieved a turnover of Rs. 1867.95 Lakhs against Rs. 3166.95 Lakhs during the previous year. The Net Profit during the year was (732.40) Lakhs as against Rs. 365.25 Lakhs during the previous year.

The consolidated financial results of Associate Company M/S. RGTL Industries Limited was prepared by Equity Method.

Your Company has crafted some well-considered plans to further drive operating efficiencies in the coming years. During the year, Company continued to focus on quality of products and innovations in the marketplace on building markets of the future called as 'market development. The company is making efforts to develop new products and hopeful to achieve the desired results with the help of in house team.

EXTRACT OF ANNUAL RETURN

Details forming part of the extract of the Annual Return in form MGT-9 is annexed with this report.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, 09 (Nine) meetings of the Board of Directors were held, details of which are set out in the Corporate Governance Report which form a part of this report.

BOARD COMMITTEES

Detailed composition of the mandatory Board Committees namely Audit Committee, Nomination And Remuneration Committee and Stakeholders Relationship Committee,

number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this report.

There have been no situation where the Board has not accepted any recommendation of the Audit Committee.

DIRECTOR'S RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013

The Directors confirm that-

- in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed.
- the directors had 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 as at 31st March, 2018 and of the profit and loss of the Company for that period.
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the directors had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ASSOCIATE COMPANY

There has been no material change in the nature of the business of the Associate.

Pursuant to provisions of section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company. Further, pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents are available on the website of the Company.

STATEMENT ON DECLARATION "CERTIFICATE OF INDEPENDENCE" U/S 149 (6) FROM INDEPENDENT DIRECTORS

Pursuant to Schedule IV and Section 149(6) of the

Companies Act, 2013, the Board has independent directors and there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively. The independent directors have submitted a declaration that the independent directors meet with the criteria of independence as required under Section 149(6) of the Companies Act, 2013.

NOMINATION AND REMUNERATION POLICY

The Company's policy on director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3) is annexed with this report.

AUDITOR'S REPORT AND SECRETARIAL AUDITOR'S REPORT

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as an annexure ii which forms part of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of the loans granted are mentioned in the Annexure 'A' to Independent Auditors' Report pursuant to provision of Section 186 read with Companies (Meetings of Board and its Powers) Rules, 2014.

The details of guarantee given and security provided are mentioned in the **Note No. 33** of Notes to Accounts.

Full particulars of investments made are stated in Note No 12 in the Notes of Accounts.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of 188 of the Act and hereto disclosed in Form AOC-2 which is a part of Annual Report.

DIVIDEND

In view of need to conserve and plough back Company's resources to fund the future expansion plans, your Directors do not propose any dividend this year.

CONSERVATION OF ENERGY

The Company has a continuous monitoring systems to minimize the energy consumption per unit of toner and manufacturing annexure V concerning this attached to this report.

TECHNOLOGY ABSORPTION

The Company has fully absorbed the technology for manufacturing toners used in three brands of photocopier Machines.

FOREIGN EXCHANGE EARNINGS & OUTGO

During the year under review, the Company has foreign exchange and Outgo as stipulated in **Note No. 35** to the Financial Statement of the Company..

RISK MANAGEMENT

A detailed report on Risk Management is included in Management Discussion And Analysis which forms a part of this report. The report clearly states development and implementation of a risk management policy for the Company including identification therein of elements of risk along with risk mitigation plan.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Sandesh Kumar Jain, Mr. Adarsh Kumar Aggarwal, Ms. Anita Chopra and Mr. Vinod Somani, Directors of the Company, Resigned from his duties as director, they are no longer associated with the Company as directors.

Further, During the year Ms. Neha Chaudhary, Company Secretary of the Company resigned from her post and Mr. Neeraj jain, joined the Company as Company secretary, in accordance with the section 203 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

Related party transactions that were entered during the financial year were in compliance with Act and approval granted by the shareholders. Transactions entered with related parties by the Company in the ordinary course of business are periodically placed before the Audit Committee for its approval.

PUBLIC DEPOSITS

The Company has not accepted and invited any deposits from public under Chapter V of the Companies Act, 2013

INTERNAL FINANCIAL CONTROL

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are stated in Management Discussion and Analysis which forms a part of this report.

INFORMATION PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1.	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	11.73:1
2.	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	-

3.	the percentage increase in the median remuneration of employees in the financial year:	5%
4.	the number of permanent employees on the rolls of company	61
5.	the explanation on the relationship between average increase in remuneration and company performance	-
6.	comparison of the remuneration of the Key Managerial Personnel against the performance of the company	-
7.	variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	-
8.	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	-
9.	comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	-
10.	the key parameters for any variable component of remuneration availed by the directors	-
11.	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and	-
12.	affirmation that the remuneration is as per the remuneration policy of the company.	Yes

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Audit Committee's terms of reference inter-alia include vigil mechanism which also incorporates a Whistle Blower Policy in terms of Section 177 (10) of the Companies Act, 2013 and Schedule V of SEBI Listing Regulations. The Company has Whistle Blower Policy. The Whistle Blower mechanism provides for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Governance and ethics. The

Whistle Blower Policy is uploaded on the website of the Company i.e. www.rathitoner.com

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Company has familiarization programmes is uploaded on the website of the Company i.e. www.rathitoner.com

FORMAL ANNUAL EVALUTION OF BOARD AND ITS COMMITTEES

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"), the Nomination and Remuneration Committee laid down a criteria for evaluating Board effectiveness by assessing performance of the Board as a whole, performance of individual Director and Committees of the Board i.e. Audit Committee, Nomination And Remuneration Committee and Stakeholders Relationship Committee. The Board approved the criteria laid down by Nomination And Remuneration Committee for evaluating Board effectiveness.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis in terms of Regulation 34 of SEBI Listing Regulations, 2015 forms a part of this report and is annexed to this report.

AUDITORS

Statutory Auditor & Their Report:

The report of the Statutory Auditor M/s Shalin Poddar & Associates, Chartered Accountants, (Firm Registration number :020397C) alongwith notes to schedules is enclosed to this report. The observations made in the Auditor's Report are self explanatory and therefore do not call for any further comments.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

The report of the Statutory Auditor M/s Shalin Poddar & Associates, Chartered Accountants, (Firm Registration number :020397C) alongwith notes to schedules is enclosed to this report. The observations made in the Auditor's Report are self explanatory and therefore do not call for any further comments.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor & Their Report:

Pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,

2014, the Board had appointed Mr. Manish Garg, M/s Manish Garg & Associates, Practicing Company Secretaries, New Delhi (Membership No. 26934), a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR-3 is annexed herewith.

Internal Auditor & Their Report:

The Board had appointed Mr. Suresh Kumar Somani, M/s HUMS & Associates (FRN: 022230N) as Internal Auditor for the financial year 2017-18 under section 138 of the Companies Act, 2013 and they have completed the internal audit as per scope given by the Audit Committee for the financial year 2017-18.

CORPORATE GOVERNANCE

Your Company has complied with regulations provided in Regulation 27 of SEBI (LODR) Regulations, 2015 with the Stock Exchanges. A certificate from the Auditors of the Company M/s Shalin Poddar & Associates, Chartered Accountants, (Firm Registration number :020397C) confirming compliance with conditions of Corporate Governance as annexed herewith.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace, however During the financial year 2017-18, the company has not received any complaints on sexual harassment. The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

LISTING WITH STOCK EXCHANGE

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE where the Company shares are listed.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from investors, vendors, consumers, bankers and regulatory authorities and other stakeholders towards the performance of the Company during the year under review.

For and on behalf of the Board

Raj Kumar Rathi
Managing Director
DIN:00009569

Anurag Yadav
Director
DIN: 00087197

Place: New Delhi
Date: 03.09.2018

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2017-18

The Company's Corporate Governance Philosophy

Corporate Governance is a set of systems, policies and practices deep rooted in the Company to ensure that the affairs are being managed in a way which ensures accountability, transparency, fairness in all its transactions with all its stakeholders. Effective Corporate Governance is the strong foundation on which commercial enterprises are built and succeed. The Company's philosophy of Corporate Governance that of timely disclosures, transparent, accounting policies and a strong and Independent Board goes a long way in preserving all stakeholder's interest, while maximizing long-term shareholder worth. Strong leadership and effective Corporate Governance practice have been the Company's plus point.

The Company aims at conducting its business efficiently, by following professionally acknowledged good governance policies, thus meeting its obligations to all stakeholders in a balanced and accountable manner and its policies are towards creation of Shareholders value in terms of long term sustainability of the Company's business.

Pursuant to Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("SEBI Listing Regulation") the Company has executed fresh Listing Agreements with the Stock Exchange.

The Company is in compliance with the requirements stipulated in the Listing Agreement and Regulation 17 to 27 read with schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulation, as applicable, with regard to Corporate Governance Report for the year ended 31st March, 2018.

1. BOARD OF DIRECTORS

a) Size and Composition of Board

The composition of the Board of Directors of the Company represents the optimum combination of knowledge, experience and professionalism in total conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors of the Company comprises of distinguished personalities, who have acknowledged in their respective fields.

As per Statutory requirements, Company has duly constituted Board consisting an optimum combination of Executive, Non-Executive and Independent Directors. As on 31st March, 2018, the Board comprises of Two out of Three Directors are non-executive Directors, two out of Three directors are Independent. All Independent Directors comply with the requirements of the BSE Listing Regulations for being an Independent Directors and also have affirmed to this effect.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 Committees across all Companies in which he is Director. Further, none of the Independent Directors on the Board is serving as Independent Director in more than seven listed Companies. The detailed agenda papers containing all information relevant for discussion at the meeting are sent to the Directors in advance so that each Director has enough time to prepare himself for a meaningful discussion items at the Board Meeting. Besides the business items included in the agenda are required to be considered by the Board of Directors as per Listing Regulation.

Independent director are non-executive director as defined under regulation 16(1)(b) of the SEBI Listing Regulation read with section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the independent directors have confirmed that they meet the criteria as stipulated under regulation 16(1)(b) of SEBI Listing Regulation read with Section 149(6) of the Act.

b) Board Meeting

- I. The Board of Directors of the Company met Nine times during the Financial Year 2017-18 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held as follows:

29.05.2017, 01.06.2017, 04.07.2017, 25.08.2017, 23.09.2017, 17.10.2017, 14.12.2017, 14.02.2018, 27.02.2018.

- II. Composition of the Board and other Directorship/ Membership of Committees held as on 31st March, 2018 along-with Attendance of Board Meeting/ AGM during the year are given below:

Name of Director	Designation	Category	Date of Appointment	No. of Board Meetings during the year 2016-17		Whether attended in Last AGM	No. of Directorship in other Public Companies	No. of Committee positions held in other Public Companies
				Held	Attended			
Sh. Raj Kumar Rathi (DIN: 00009569)	Managing Director	Executive & non-independent (Promoter)	02/12/1991	09	09	Yes	Nil	Nil
Sh. Vinod Somani (DIN: 00327231)	Director	Non-Executive & Independent	14/08/2010	09	05	Yes	NIL	Nil
Sh. Sandesh Kumar Jain (DIN: 00318479)	Director	Non-Executive Director	06/03/2003	09	05	Yes	2	1
Sh. Anurag Yadav (DIN: 00087197)	Director	Non-Executive & Independent Director	27/03/2006	09	09	NO	Nil	Nil
Mrs. Shilpi Agarwal (DIN: 07731184)	Director	Non Executive Independent Director	14/02/2017	09	09	NO	1	1

III. Represents Chairmanship/Membership of Audit Committee, Shareholder's Relationship Committee and Nomination & Remuneration Committee

IV. All the meetings were held personally.

V. The necessary quorum was present for all the meetings.

VI. During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

VII. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

VIII. During the year, one meetings of the Independent Directors were held on 30/03/2018. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

IX. The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

X. Details of equity shares of the Company held by the Directors as on March 31, 2018 are given below:

Name	Category	Number of Equity Shares
Mr. Raj Kumar Rathi	Non-Independent, Executive	3173462

The Company has not issued any convertible instruments.

XI. The details of the familiarisation programme of the Independent Director are available on the website of investor@rathitoner.com.

2. AUDIT COMMITTEE

A. Composition:

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations read with section 177 of the Companies Act, 2013. All the members have relevant finance and audit exposure. The Chairman of the Committee was present at the last Annual General Meeting of the Company to answer the queries of the Shareholders.

The gist of terms of reference of the Audit Committee is as follows:

1. Regular review of accounts, accounting policies, disclosures, etc. and to ensure that the Financial Statement are correct, sufficient and credible.
2. Appointment and remuneration of Statutory and Internal Auditors.

3. Review of the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
4. Qualifications in the draft audit report.
5. Establishing and reviewing the scope of the independent audit including the observations of the auditors and review of the quarterly, half yearly and annual financial statements before submission to the Board.
6. Conducting post audit discussions with the independent auditors to ascertain any area of concern.
7. Establishing the scope of and frequency of internal audit, reviewing the findings of the internal auditors and ensuring the adequacy of internal control systems.
8. To look into the matters pertaining to the Directors' Responsibility Statement with respect to compliance with Accounting Standards and accounting policies.
9. Compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. The Committee shall look into any related party transactions i.e., transactions of the Company of material nature, with promoters or management their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
11. Such other matters as may from time to time be required by any statutory, contractual or other regulatory

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

Sr. No.	Name of Members	Category	No. of meeting held during the year 2017-18	No. of meeting attended during the year 2017-18	Remark
1.	Sh. Raj Kumar Rathi (DIN: 00009569)	Executive & Non-Independent (Promoter)	4	4	-
2.	Sh. Sandesh Kumar Jain (DIN: 000318479)	Non-Executive Director	4	2	Resigned on 12/10/2017
3.	Sh. Anurag Yadav (DIN: 00087197)	Independent Director	4	4	-
4.	Sh. Vinod Somani (DIN: 00327231)	Independent Director	4	0	Resigned on 01/10/2017
5.	Mrs. Shilpi Agarwal (DIN: 07731184)	Independent Director	4	4	-

Four Audit Committee Meetings were held during the year 2017-18. The dates on which the said meetings were held as follows:

29/05/2017, 25/08/2017, 13/12/2017, 12/02/2018

3. NOMINATION AND REMUNERATION COMMITTEE

During the year under review, the Company has changed nomenclature of Remuneration Committee to Nomination And Remuneration Committee in terms of Section 178 of the Companies Act, 2013

The gist of terms of reference of the Nomination And Remuneration Committee is as follows:

1. Recommend to the Board the setup and composition of the Board and its committees, including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director." The committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
2. Recommend to the Board the appointment or reappointment of directors.
3. Devise a policy on Board diversity.
4. Recommend to the Board appointment of Key Managerial Personnel ("KMP" as defined by the Act) and

executive team members of the Company (as defined by this Committee).

5. Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors. This shall include "Formulation of criteria for evaluation of Independent Directors and the Board". Additionally the Committee may also oversee the performance review process of the KMP and executive team of the Company.
6. On an annual basis, recommend to the Board the remuneration payable to the directors and
7. oversee the remuneration to executive team or Key Managerial Personnel of the Company.
8. Provide guidelines for remuneration of directors on material subsidiaries.
9. Performance Evaluation Criteria for Independent Directors:

Shri Anurag Yadav (DIN: 00087197), Independent Director & Raj Kumar Rathi, (DIN: 00009569), Managing Director

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

A. Composition

The Nomination and Remuneration Committee is constituted in line with the provision of Regulation 19 of SEBI Listing Regulation, read with Section 178 of the Act.

The composition of the Nomination and Remuneration Committee and details of meeting attended by the Directors are given below:

B. Meetings

No Meeting was held during the Year.

C. Nomination And Remuneration Policy

The Board approved the Nomination And Remuneration Policy as recommended by Nomination And Remuneration Committee which forms a part of Director's Report.

4. REMUNERATION OF DIRECTORS

During the year 2017-18 the Company paid sitting fees to its Non-Executive Directors for attending the meeting of the board and meeting of committees of the board as follows:-

Details of the Remuneration of Director's as on 31st March, 2018

(b) Managing Director and Non-executive Director

Name of Director and period of appointment	Salary (Lakhs)	Benefits Perquisites and Allowances (Rs. Lakhs)	Commission (Rs. Lakhs)	ESPS	Sitting Fees (Per Meeting)
Raj Kumar Rathi*	28,80,000	1,17,60 0	-	-	-
Vinod Somani	Nil	Nil	Nil	Nil	Rs. 750
Sh. Sandesh Kumar Jain	Nil	Nil	Nil	Nil	Rs. 750
Sh. Anurag Yadav	Nil	Nil	Nil	Nil	Rs. 750
Mrs. Shilpi Agarwal	Nil	Nil	Nil	Nil	Rs. 750

(a) * Managing Director (b) Mr. Vinod Somani (Independent Director), Mr. Sandesh Kumar Jain (Non-Executive Director), Mr. Anurag Yadav (Independent Director) Ms. Shilpi Agarwal (Independent Director) (c) Mr. Sandesh Kumar Jain & Mr. Vinod Somani has resigned from Directorship in the month of October 2017

4. STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee is constituted in line with the provision of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act. During the year under review, the Company has changed nomenclature of Shareholder's Grievance Committee to Stakeholder's Relationship Committee in terms of Section 178 of the Companies Act, 2013

A. The gist of terms of reference of the Stakeholder's Relationship Committee as given below:-

1. Consider and Resolve the grievances of the Stakeholder's of the Company including redressal of investor complaints such as transfer of shares, rematerialisation, dematerialisation of shares, non-receipt of notice, Annual Report etc.

2. Consider and approve issue of Share Certificate (including renewed and duplicate share certificates), transfer and transmission of shares.

B. Composition

The Stakeholder's Relationship Committee is comprised of Shri Anurag Yadav (DIN: 00087197) and Shri Raj Kumar Rath (DIN:00009569).

*Sandesh Kumar Jain resigned during the period.

C. Meetings

During the Financial Year 2017-18 following meetings of committee were held and attended by all the members:-

Name of Members	Category	Committee Meetings	
		Held	Attended
Shri Anurag Yadav	Chairman	3	3
Shri Sandesh Jain	Member	1	1
Shri Raj Kumar Rath	Member	3	3

Every effort is made to clear share transfers / transmissions and split / consolidation requests within 15 days.

D. Details of Complaint received and redressed

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

5. GENERAL BODY MEETINGS

(A) Annual General Meeting

No. of AGM	Year Ended	Venue	Date & Time
22nd AGM	31.03.2015	A-3, Industrial Area, South of G.T. Road, Ghaziabad(U.P.)-201009	28.09.2015 at 10.00 a.m.
23RD AGM	31.03.2016	A-3, Industrial Area, South of G.T. Road, Ghaziabad(U.P.)-201009	07.09.2016 at 10:00 AM
EGM	31.03.2017	A-3, Industrial Area, South of G.T. Road, Ghaziabad(U.P.)-201009	27.03.2017 at 10:00 AM
24th AGM	31.03.2017	A-3, Industrial Area, South of G.T. Road, Ghaziabad(U.P.)-201009	29.09.2017 at 4.00 P.M.

B) SPECIAL RESOLUTION PASSES IN 24TH AGM OF COMPANY

Re-appointment of Shri Raj Kumar Rath as Managing Director of the Company for a period of Five years from 01st April, 2017 to 31st March, 2022 at a remuneration of Rs. 2,40,000/- per month excluding perquisites and allowances as provided in section IV of Schedule V of the Companies Act, 2013.

C) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.

* During the year under review, no special resolution has been passed through the exercise of postal ballot.

(D) Details of special resolution proposed to be conducted:

* No special resolution is proposed to be conducted at the upcoming AGM to be held on Saturday, September 29th 2018.

6. MEANS OF COMMUNICATION

The Annual, half yearly and quarterly results are communicated to the Stock Exchange, where the Company's shares are listed, immediately after the same are taken on record/approved by the Board. Further the quarterly, half-yearly and annual results of the Company are published in newspapers in India which include Pioneer English and Hindi. The results are also displayed on the Company's website www.rathitoner.com. A Management and Discussion Analysis Statement is a part of this Report.

7. GENERAL SHAREHOLDER INFORMATION

(A) Annual General Meeting for Financial Year 2017-2018

The next Annual General Meeting is scheduled to be held at Saturday 29th September, 2018 at A-3, Industrial Area, South of G.T. Road, Ghaziabad, U.P.-201009 at 10.00 p.m .

(B) Financial year quarterly results ending as on 2017-18

First Quarterly Results- on or before 14th August, 2017
Second Quarterly Results- on or before 14th November, 2017. Third Quarterly Results- on or before 14th February, 2018.

(F) Company Scrip Code

Bombay Stock Exchange Limited : 524610

(G) Market Price Data (BSE) for the year 2017-18

Month	High Price	Low Price	No.of Shares	Total Turnover (Rs.)
Apr-17	26.20	17.55	3,12,088	72,59,847
May-17	24.20	17.65	1,01,220	21,36,672
Jun-17	19.80	16.55	95,361	17,50,630
Jul-17	22.20	17.10	6,71,483	1,38,54,471
Aug-17	18.50	14.50	1,56,251	25,33,243
Sep-17	16.20	14.00	1,69,005	25,21,613
Oct-17	17.45	12.80	1,98,176	29,04,903
Nov-17	15.45	11.35	4,43,024	58,67,338
Dec-17	13.95	11.41	4,20,980	52,49,602
Jan-18	19.40	12.10	17,80,157	2,91,11,802
Feb-18	17.60	12.70	7,94,184	1,21,38,738
Mar-18	14.40	10.65	9,82,238	1,14,15,26

(H) Distribution of Shareholding as at 31st March, 2018

Category	Number of Share	Percentage (%)	No. of Shareholder	Percentage (%)
1 to 5000	1093007	6.649	5548	86.122
5001 to 10000	355091	2.160	415	6.442
10001 to 20000	327005	1.989	202	3.136
20001 to 30000	221484	1.347	84	1.304
30001 to 40000	124431	0.757	35	0.543
40001 to 50000	171533	1.043	36	0.559
50001 to 100000	370776	2.255	52	0.807
100001 and above	13775673	83.799	70	1.087
Total	16439000	100	6442	100
Total Shareholders in NSDL	1742	Total Shares in NSDL		12908972
Total Shareholders in CDSL	1206	Total Shares in CDSL		1861039
Total Shareholders in Physical	3494	Total Shares in Physical		1668989
Total Shareholders	6442	Total Shares		16439000

Fourth Quarterly Results- on or before 30th May, 2018

(C) Dividend: NIL

(D) Listing in Stock Exchange

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001

Listing Fees as applicable have been paid

(E) Book Closure Date

Date of Book Closure from Sunday, 23rd of September, 2018 to Saturday, 29th of September, 2018 (both days inclusive).

(I) Categories of Shareholding as on March, 31st 2018

Category	No. Of Shares	Percentage (%)
Promoter & Promoter Group	9642978	58.66
Mutual Funds	19000	0.12
Foreign Investors	324592	1.97
NBFC Registered with RBI	700	0.00
Bodies Corporate	2007661	12.21
Individuals	4298251	26.15
NRI/OCBs	24798	0.15
Clearing Members	120020	0.73
Total	16438000	100.00

(J) Registrar And Transfer Agents

The Share Transfer Agent for equity share of the Company both for electronic and physical segment is M/s MAS Services Limited, T-34, IInd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, Ph: 011-26387281, Fax: 011-26387384, email ID: info@masserv.com

(K) Secretarial Audit for Reconciliation of Share Capital

In keeping with requirements of the SEBI and the Stock Exchange, a Secretarial Audit by Practicing Company Secretary is carried out to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The said audit confirms that the total issued/ paid up capital tallies with the total number of shares in physical form and the total number of shares in dematerialized form with NSDL and CDSL.

A certificate from the Statutory Auditor of the Company with regard to Corporate Governance is attached herewith as an Annexure to this report.

(L) Share Transfer System

Share Transfer in physical form can be lodged with the Registrar & Transfer Agents of the Company. The transfers are normally processed within stipulated time period, if the documents are complete in all respects. The Stakeholder's Relationship Committee is empowered to approve the share transfers.

(M) Dematerialization of shares

The Company has tied up with the National Securities Depository Limited and Central Depository Services Limited and the ISIN No. allotted to equity shares of the Company is INE 886C01010. The demat/remat requests are processed within fifteen days of the receipt of request, provided they are complete in all respects. As of the end of March, 2018, share comprising approximately 90 % of Company's equity share capital are in dematerialized form.

(N) The Company has not issued any GDRs / ADRs /

Warrants or any convertible instruments in the past and hence as on March 31, 2018, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(O) E-voting

To widen the participation of shareholders in the Company decisions, the Securities and Exchange Board of India (SEBI) has directed top 500 listed Companies to provide e-voting facility to their shareholders from October, 2012 onwards, in respect of those businesses which are transacted through postal ballot.

Further the Companies Act, 2013 and Regulation 44 of SEBI Listing Regulations also requires a listed Companies to provide e-voting facility to their shareholders, in respect of all shareholder's resolutions, to be passed at General Meetings.

(P) Manufacturing Units

SP-921, RIICO Industrial Area
Phase-III, Bhiwadi
Distt. Alwar, Rajasthan

(Q) Address for Communication

24/1A, Mohan Cooperative Industrial Area,
Mathura Road, New Delhi-110044
Ph: 011-45002400 email id: investor@rathitoner.com

(R) Contact Person

Shri Raj Kumar Rathi (Managing Director)
Contact No. 01145002400, Email id: investor@rathitoner.com

(S) Code of Conduct

The Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management of the Company in terms of Regulation 17 of the SEBI Listing Regulation and is placed on the website of the company.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

CEO/CFO CERTIFICATION

We certify to the Board that:

(a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

- (i) These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statement together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluating the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee that:

- (i) there have not been any significant changes in internal control over financial reporting during the year;
- (ii) there has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements and
- (iii) there has not been any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

On behalf of the Board of Directors

Place: New Delhi
Date: 03/09/2018

Raj Kumar Rath
(Managing Director)
DIN: 00009569

Shiv Kumar
(Chief Financial Officer)

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members,
Rathi Graphic Technologies Limited
D-12A, Sector-9, New Vijay Nagar
Ghaziabad (Uttar Pradesh)-201009

We have examined the compliance of Corporate Governance of the Company for the year ended March, 31st, 2018, as stipulated in regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

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

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

We state that such compliance is neither as 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 Shalin Poddar & Associates
Chartered Accountants

Place: New Delhi
Date: 03/09/2018

CA Shalin Poddar
Partner
M. No. 515616
PRN - 020397C

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY AND DEVELOPMENTS

Statement in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be considered to be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events.

The strong fundamental character of Indian Economy indicating increase in the production activities acts as a fuel for the growth of your Company. Your company with adequate infrastructure and an active eye on the emerging opportunities at domestic and international level is poised to grow and enhance its shareholder value.

OPPORTUNITIES AND THREATS.

As part of our expansion plans, the Company is regularly making efforts for business expansions and diversification's activities.

OUTLOOK

The long term aim of the Company is to strengthen its established brand image by offering customers quality products at reasonable prices. The aim of the Quality Policy of the Company is to provide satisfaction to its customers. To achieve this, the Company is committed to develop, produce and market products that cater continuously to the need and expectations of customers and giving the Company competitive advantage. The R & D team of the Company is giving good results as the Company has developed several new products at competitive prices which helps in facing competition and boosting export.

RISK AND CONCERNS

Since 100 % of raw material of the Company is imported, Foreign Exchange fluctuations, increase in oil prices and international freight etc. may have adverse impact on the cost of manufacture of the Co.'s products. The Company's ability to pass on cost of increase by corresponding increase in selling price of its product constrained due to tough competition in the Markets.

TRAPPING BUSINESS OPPORTUNITIES

The focus of the Company continues to be on strengthening presence in existing markets and to this extent extensive sales and brand building effects have been taken.

COMPETITION

Competition whether domestic or international is always a challenge and transforming challenges into opportunities has a practice of our company.

INFLATION

Surging price level poses a major threat to the Company and the economy as a whole. Rising prices reduce the value of money leaving consumers with low purchasing power. Low purchasing power disturbs the demand supply chain which causes serious threat to production roll out.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The sales for the year were Rs. 1,867.95 Lakhs. The Company earned a profit before tax of Rs. (7,33.39) Lakhs. This does not include the sales and profit of the Associate Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal control geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations.

The Company has continued its efforts to align its processes and controls with best practices and has put in place a process wise internal control framework across the Company.

The Internal Auditors of the Company conduct audits of various departments based on an annual audit plan covering key area of operations, including overseas operations. Internal Audit reviews and evaluates the adequacy and effectiveness of internal controls, ensuring adherence to operating guidelines and systems and recommending improvements for strengthening them. The Company has put in place a Risk Assessment and mitigation process across all its business operations, which is reviewed by the Management and Board Audit Committee.

FINANCIAL MANAGEMENT

Fund Management is crucial and important for the Company's growth. The financial system of the organization is responsible for the management of funds. The Company's financial management has held it in good stead but a little bit difficult due to continuous downward fall in rupee and rising prices of commodities over the year and has given it the unbeatable reputation of being one of the most profitable toner manufacturing companies in the Country.

The Company had initiated moves in its right earnest for repaying and swapping the high interest borrowing with low interest rate funds. As on Balance Sheet date the total secured borrowing of Rs. 8.20 crores comprise long terms loans of Rs. 0.23 Crores and working capital loans of Rs. 7.97 crores.

SEGMENT WISE PERFORMANCE

The Company considers industry as its primary segment. Revenue and expenses directly attributable to segments are reported under each segment. The segments revenue in financial year 2018 is Rs. 1867.95 Lakhs against segment revenue in financial year 2017 was Rs. 3166.95 Lakhs.

HUMAN RELATIONS

The Company successfully met the challenges of its business environment due to dedication, competence and commitment displayed by its employees. The human resource function and initiatives of the Company are driven by strong set of values, policies and philosophy. Performance orientation and ethics are the cornerstones of our human resource philosophy. Relations between employees and management have remained cordial through out the year. Initiatives are being taken to enhance the productivity of employees. The Company appreciates the contribution made by all employees in ensuring better performance and achievements during the year. The Company continued to implement best practices and innovative initiatives to meet the challenges of acquiring and retaining talent against intense competitive pressures. The Company continued to place emphasis on training, skills enhancement and competency development of its people for meeting future challenges. The Company sustained its emphasis on imparting required training to its employees.

INDUSTRIAL RELATIONS

Industrial relations remained cordial during the year. The total number of employees as on 31st March, 2018 were 63.

DISCLOSURE OF ACCOUNTING TREATMENT

Accounting standard were followed during the preparation of Financial of the company.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward-looking statement' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the domestic FMCG industry, rise in input costs, exchange rate fluctuations, and significant changes in political and economic environment in India, environment standards, tax laws and litigation and labor relations.

ANNEXURE TO THE DIRECTOR'S REPORT

ANNEXURE- I
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on financial year ended on March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L26960UP1991PLC013770
2	Registration Date	2/12/1991
3	Name of the Company	Rathi Graphic Technologies Limited
4	Category/Sub Category of the Company	Company Limited by Shares Indian Non-Government Company
5	Address of the Registered office & contact details	D-12 a, Sector - 9, New Vijay Nagar, Ghaziabad, Uttar Pradesh-201009 Phone No.-011-45002400 Fax No. 011-45002410 Email address: investor@rathitoner.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 Ph: 011-26387281-82-83 Fax: 011-26387284 Email address: info@masserv.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are given below:-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Toner	2029	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	%AGE OF SHARES HELD	APPLICABLE SECTION
1.	RGTL Industries Limited 24/1A, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044	U27109DL2004PLC130509	Associate	49.18%	2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	3899212	0	3899212	23.72	3899212	0	3899212	23.72	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	6066958	0	6066958	36.91	5743766	0	5743766	34.94	(1.97)
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	9966170	0	9966170	60.63	9642978	0	9642978	58.66	(1.97)
(2) Foreign									
a) NRI Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	9966170	0	9966170	60.63	9642978	0	9642978	58.66	(1.97)
TOTAL (A)	9966170	0	9966170	60.63	9642978	0	9642978	58.66	(1.97)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	19000	0	19000	0.12	19000	0	19000	0.12	0
b) Banks / FI	0	0	0	0	1000	0	1000	0.01	0.01
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	324592	0	324592	1.97	324592	0	324592	1.97	0
i) Others (if, any other, specify)									
Sub-total (B)(1):-	343592	0	343592	2.09	344592	0	344592	2.1	0.8

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3133775	0	3133775	19.06	2007661	0	2007661	12.21	(6.85)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals				0	0	0	0		0
i) Individual share capital upto Rs. 2 Lacs	2253028	0	2253028	13.71	2849839	0	2849839	17.34	3.63
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	710516	0	710516	4.32	1448412	0	1448412	8.81	4.49
c) Others (specify)									(0.01)
NBFCs registered with RBI	900	0	900	0.01	700	0	700	0	0.06
Non Resident Indians	14928	0	14928	0.09	24798	0	24798	0.15	0
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members	16091	0	16091	0.1	120020	0	120020	0.73	(0.63)
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	6129238	0	6129238	37.28	6451430	0	6451430	39.24	1.96
Total Public (B)= (B) (1)+(B)(2)	6472830	0	6472830	39.37	344592	0	344592	2.1	0.8
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	16439000	0	16439000	100	16439000	0	16439000	100	0

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2017]			Shareholding at the end of the year [As on 31-March-2018]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Raj Kumar Rath	3173462	19.30%	0.00%	3173462	19.30%	0.00%	0.00%
2.	Saurabh Rath	48942	0.30%	0.00%	48942	0.30%	0.00%	0.00%
3	Sushila Rath	676808	4.12%	4.12%	676808	4.12%	4.12%	0.00%
4.	Alpha Stock And Finservices Pvt. Ltd.	1978158	12.03%	0.00%	1978158	12.03%	0.00%	0.00%
5.	Shark Packaging (India) Pvt. Ltd.	4088800	24.87%	1.97%	4088800	24.87%	1.97%	0.00%
TOTAL		9966170	60.63%	6.08%	9966170	60.63%	6.08%	0.00

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

Sr. no	Particulars	Date	Reason	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	At the beginning of the year	N.A.	N.A.	9966170	60.63%	9966170	60.63%
2.	Changes during the year	N.A.	N.A.	0.00	0.00%	0.00	0.00%
3.	At the end of the year	N.A.	N.A.	9966170	60.63%	9966170	60.63%

Note: There is no change in the total shareholding of the Promoters between 01-04-2017 and 31-03-2018

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year [As on 31-March-2017]		Cumulative Shareholding during the year [As on 31-March-2018]	
				No. of shares	% of total shares	No. of shares	% of total shares
1	DBG Leasing and Housing Limited	Various Dates	Allotment/ Transfer	1780100	10.83%	1780100	10.83%
2	Archit Securities Private Limited	Various Dates	Allotment/ Transfer	566468	3.45%	566468	3.45%
3	Wellfix Cables & Cords Private Limited	Various Dates	Allot	300000	1.82%	300000	1.82%
4	SHAREKHAN LIMITED	Various Dates	Transfer	254662	1.55	254662	1.55
5	Tanvi Jignesh Mehta	Various Dates	Transfer	200000	1.22%	200000	1.22%
6	Kenneth A White	Various Dates	Allot	178525	1.09%	178525	1.09%
7	Dipak Kanayalal Shah	Various Dates	Transfer	175000	1.06%	175000	1.06%
8	Sneh Jain	Various Dates	Transfer	116185	0.71%	116185	0.71%
9	Anil Madanlal Raika	Various Dates	Transfer	135000	0.82%	135000	0.82%
10	Xtended Business Reporting Ltd.	Various Dates	Allotment/ Transfer	240612	1.46%	240612	1.46%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	No. of Shares at the beginning (01-04-17)/ end of the year (31-03-18)		Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
				No. of shares	% of total shares	No. of shares	% of total shares
a.	Director						
1.	Raj Kumar Rathi, Managing Director	Various Dates	Allotment/ Transfer	3173462	19.30%	3173462	19.30%
2.	Vinod Kumar Somani, Independent Director	N.A.	N.A.	0	0.00%	0	0.00%
3.	Sandesh Kumar Jain, Non Executive Director	Various Dates	N.A.	0	0%	0	0%
4.	Anurag Yadav, Independent Director	N.A.	N.A.	0	0.00%	0	0.00%
5	Shilpi Agarwal, Independent Director	N.A.	N.A.	0	0.00%	0	0.00%

Note:- During the year, Mr. Sandesh Kumar Jain and Mr. Vinod Somani were resigned from directorship of the Company.

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	74042108.00	100214603.00	0.00	174256711.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	74042108.00	100214603.00	0.00	174256711.00
Change in Indebtedness during the financial year				
* Addition	7981701.00	60035370.00	0.00	68017071.00
* Reduction	0	52148804.00	0.00	52148804.00
Net Change	7981701.00	7886566.00	0.00	15868267.00
Indebtedness at the end of the financial year				
i) Principal Amount	82023809.00	108101169.00	0.00	190624978.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	82023809.00	108101169.00	0.00	190124978.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Raj Kumar Rathi		(Rs/Lac)
	Designation	Managing Director		
1	Gross salary	2120000		2120000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0		0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	117600		117600
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0		0
2	Stock Option	0		0
3	Sweat Equity	0		0
4	Commission	0		0
	- as % of profit	0		0
	- others, specify	0		0
5	Others, please specify	0		0
	Total (A)	2237600		2237600
	Ceiling as per the Act-Schedule V of the Companies Act.	Yes		

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors		
1.00	Independent Directors	Vinod Somani	Shilpi Agarwal	Anurag Yadav
	Fee for attending board/committee meetings	750*5	750*14	750*18
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (1)	3750	10500	13500
2.00	Other Non-Executive Directors	Sandesh Kumar Jain		
	Fee for attending board committee meetings	750*8		
	Commission	0		

	Others, please specify	0
	Total (2)	6000
	Total (B)=(1+2)	33750
	Total Managerial Remuneration	2271350
	Overall Ceiling as per the Act	Yes

Note:- During the year, Mr. Sandesh Kumar Jain and Mr. Vinod Somani were resigned from directorship of the Company.

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs/Lac)
		CFO	CS	
1	Designation			
2	Gross salary	940431	398738	1339169
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
3	Stock Option	0	0	0
4	Sweat Equity	0	0	0
5	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify	0	0	0
8	Others, please specify	0	0	0
9	Total	940431	398738	1339169

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/ punishment/ compounding of offences for the breach of any sections of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

Place: Delhi
Date: 03/09/2018

On behalf of the Board of Directors
M/S Rath Graphic Technologies Limited
Raj Kumar Rath
Managing Director
DIN: 00009569

ANNEXURE TO THE DIRECTOR'S REPORT

Annexure II

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2018

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

To,

The Members,

Rathi Graphic Technologies Limited

D-12 A, Sector - 9,

New Vijay Nagar, Ghaziabad,

Uttar Pradesh-201009

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2018 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Rathi Graphic Technologies Limited for the financial year ended on 31 March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the

rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
 - (d) The Company has complied with the provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period); and**
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)
- (vi) Other laws applicable to the Company as per the representations made by the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India

- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

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

We further report that:

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

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

**For Manish Garg & Associates
Practicing Company Secretaries**

**Place: Delhi
Date: 03/09/2018**

**(Manish Kumar Garg)
ACS No. 26934
C P No.: 9679**

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

'APPENDIX A'

To,
The Members,
Rathi Graphic Technologies Limited
D-12 A, Sector - 9,
New Vijay Nagar, Ghaziabad,
Uttar Pradesh.-201009

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practice, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulation and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Manish Garg & Associates
Practicing Company Secretaries**

**Place: Delhi
Date: 03/09/2018**

**(Manish Kumar Garg)
ACS No. 26934
C P No.: 9679**

Annexure III**FORM NO. AOC -2**

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<ul style="list-style-type: none"> M/S Shark Packaging (India) Private Limited Raj Kumar Rathi
b)	Nature of contracts/ arrangements/ transaction	Availing of financial services
c)	Duration of the contracts/ arrangements/ transaction	As approved by the members of the Company in EGM held on 27th March 2017
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Do
e)	Justification for entering into such contracts or arrangements or transactions	DO
f)	Date of approval by the Board	24/02/2017
g)	Amount paid as advances, if any	Nil
h)	Date on which ordinary resolution was passed in EGM as required in first proviso of section.	27/03/2017

2. Details of contracts or arrangements or transactions at Arm's length basis

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Smt. Sushila Rathi
b)	Nature of contracts/arrangements/transaction	Rent Agreement of Corporate & Marketing office of the Company
c)	Duration of the contracts/arrangements/transaction	Five year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Took property on monthly rent basis from Smt. Sushila Rathi amounting Rs. 30250/- per month plus applicable taxes
e)	Date of approval by the Board	29/05/2017
f)	Amount paid as advances, if any	Nil

As per Schedule V of SEBI Listing Regulation

Sr. No.	In the accounts	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year	Status
1	Holding	Loans and advances in the nature of loans to subsidiaries by name and amount.	NA
		Company	NA
		Loans and advances in the nature of loans to	NA
		firms/companies in which directors are Interested by name and amount.	NA
2	Subsidiary	Same disclosures as applicable to the parent company in the accounts of subsidiary company.	NA
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	NA

**On behalf of the Board of Directors
Practicing Company Secretaries**

**Place: Delhi
Date: 03/09/2018**

**Raj Kumar Rathi
Managing Director
DIN:00009569**

Annexure IV

NOMINATION AND REMUNERATION COMMITTEE

Introduction

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and other employees has been formulated in terms of the provision of the Companies Act, 2013 and the SEBI Listing Regulation in order to pay equitable remuneration to Directors, Key Managerial Personnel and other employees of the Company.

Objective:

I. Formulate the criteria for determining qualifications, positive attributes and independence for appointment of a Director (Executive/Non-Executive) and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.

II. To formulate the criteria for performance evaluation of all Directors.

III. Formulate Board diversity policy.

Constitution of the Nomination and Remuneration Committee:

The Board has constituted the Nomination and Remuneration Committee on 13th February, 2015 as per the Companies Act, 2013.

Definitions:

“Act” means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

“Board” means Board of Directors of the Company.

“Company” means Rathii Graphic Technologies Limited

“Directors” means Directors of the Company.

“Independent Director (ID)” means a Director referred to in Section 149 (6) of the Companies Act, 2013 and Rules made thereunder.

“Key Managerial Personnel” (KMP) means

1. Chief Executive Officer or the Managing Director or the Manager; and in their absence, a Whole time Director;
2. Chief Financial Officer; and
3. Company Secretary

“Senior Management Personnel” (SMP) means the employees of the Company who are directly reporting to the Managing Director/Chief Executive Officer. Unless the context otherwise requires, words and expressions

used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Matters to be dealt with and recommend by Nomination And Remuneration Committee to the Board:

The following matters shall be dealt by Committee

a) Directors

Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrants the appointment of a new Director, having regard to the variety of skills, experience and expertise on the Board and who will best complement the Board.

b) Evaluation of performance

Making recommendations to the Board on appropriate performance criteria for the Directors. Formulate criteria and framework for evaluation of every Director's performance. Identifying familiarization and training programs for the Board to ensure that Non- Executive Directors are provided adequate information regarding the operations of the business, the industry and their duties and legal responsibilities.

c) Board diversity

NRC is to assist the Board in ensuring Board nomination process with diversity of gender, thought, experience, knowledge and perspective in the Board in accordance with the Board diversity.

d) Remuneration framework and policies

NRC is responsible for reviewing and making recommending to the Board on the following:

- i. The remuneration of MD/CEO and KMPs.
- ii. Remuneration of Non-Executive Directors and chairman.
- iii. Remuneration Policy for all employees including KMPs and SMPs which requires to take note of need to:
 - a. Attract and motivate talent to accomplish Company's long term growth.
 - b. Demonstrate a clear link between executive compensation and performance.

e) Company's stock option schemes.

Policy for appointment and retirement or removal of Director, KMP and SMP:

A. Appointment criteria and qualifications

NRC shall identify person and criteria for the qualification, expertise and experience of the person for appointment as Director, KMP or SMP and recommend to the Board his/her appointment.

B. Retirement

The Director, KMP and SMP shall retire as per the provisions of the applicable Act, and the prevailing policy of the Company. On the recommendation of the NRC, the Board if it considers to be in the Company's interest, shall have the discretion to retain, Director, KMP and SMP even after attaining the retirement age.

C. Removal

In case any Director or KMP incurs any disqualification as provided under the Act or Rules made there under or is in breach of Code of Governance and Ethics adopted by the

Company, the NRC may recommend to the Board removal of such Director or KMP.

D. Policy for remuneration to Directors, MD/CEO, KMP, SMP MD/CEO:

Remuneration to the MD/CEO shall be proposed by the NRC and subsequently approved by the Board of Directors and the shareholders of the Company, whenever required. NEDs:

i. NEDs shall be entitled to sitting fees as may be decided by the Board of Directors from time to time for attending the meeting of the Board and sub Committees of the Board.

ii. Commission as may be recommended by NRC and subsequently approved by the Board of Directors and shareholders whenever required.

iii. The NEDs shall be eligible for remuneration of such professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services.

E. KMPs & SMPs:

The remuneration to be paid to the KMPs and SMPs, shall be recommended by the NRC considering relevant qualification and experience of the individual as well as the prevailing market condition. The remuneration shall be combination of fixed and variable pay.

F. NRC may consider to grant Stock Options to MD/CEO, KMPs, SMPs and other employees pursuant to any Stock Option Plan adopted by the Company.

G. General:

This policy is framed based on the provisions of the Companies Act, 2013 and Rules thereunder and the requirements of Clause 49 of the Listing Agreement with Stock Exchanges and Prescribed regulation of the SEBI Listing Regulation. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other Regulations which makes any of the provisions in the policy inconsistent with the Act or Regulations, then the provisions of the Act or Regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

ANNEXURE V

The conservation of energy, technology absorption, foreign exchange earnings and outgo

Form-A

Form of disclosure of particulars with respect to conservation of energy.

Part-A

S. No.	Particulars	Current Year	Previous Year
1.	Electricity Purchased Units (KWH)	1567240	1798176
2.	Total Cost (Rs.)	13850774	13941250
3.	Rate /Units (Rs.)	8.84	7.75

Part-B

Consumption per Unit of production

Product	Electricity (KWH)	
	Current Year	Previous Year
Toners & Developers (per Kg.)	7.20	6.43

Independent Auditors' Report

To The Members,

RATHI GRAPHIC TECHNOLOGIES LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **RATHI GRAPHIC TECHNOLOGIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Our responsibility is to express an opinion on these IndAS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the

Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Other Matter

In our opinion and to the best of our information and according to the explanation given to us, these financial statement do not comply with the IND AS prescribed under section 133 of the companies act 2013 .There fore we expresses a disclaimer opinion.

The working capital limit and term loan has become Non Performing asset during the FY 2017-2018. Banks has been initiated the proceedings under the provision of The Securitization and reconstruction of financial statement and enforcement of security Interest (SARFAESI) Act,2002

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements do not give the information required by the Act in the manner so required and not give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2018;
- b) In the case of Statement of Profit & Loss of the Loss for the year ended on the date;
- c) In the case of Cash Flow Statement of the cash flows for the year ended on the date.

In our opinion, to the best of our information and according to the explanation given to us, the aforesaid financial statements are not give the information required by the Act in the manner so required and not give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2018.

Report on Other Legal and Regulatory Requirements

1. In our opinion and to the best of our information and according to the explanation given to us, the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Companies Act, 2013, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Ind AS financial statements does not comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement. Refer to the note of the financial statement.

- ii. the Company has made necessary provision in its financial statements under the applicable law or accounting standards, wherever required;
- iii. There is no amount which is required to be transferred to the Investor Education and protection funds by the Company. Hence there is no question of delay arise.

For Shalin Poddar & Associates

Chartered Accountants

Firms Registration No.020397C

(Shalin Poddar)

Partner

Membership No. 515616

Date: 29th May 2018

Place: New Delhi

Annexure 'A' to Independent Auditors' Report

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

1. In respect of Fixed assets:

- The company has not updated proper records showing full particulars, including quantitative details and situation of the fixed assets.
- As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programmed of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification and the same have been properly dealt with in the books of accounts.
- As per the records and information and explanations given to us title deeds of immovable properties are in the name of company.

2. In respect of its inventory:

- As explained to us, the inventories of finished goods, semi-finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management.
- In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.

3. According to the information and explanation given to us, the Company has not granted any loans to companies, firms, limited liabilities partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013;

and therefore paragraph 3(iii) of the Order is not applicable.

- The Company has not made any transaction in respect of loans covered under section 185 of the Companies Act 2013 and in respect of loans, investments, guarantees and security covered under section 186 of the Companies Act, 2013, the provisions of the said section 186 have been duly complied.
- The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Companies Act, 2013 and rules framed there under are not applicable.
- In accordance with the information given by the management the maintenance of cost records has not been prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 for the goods/ products manufactured by the Company.
- According to the records of the Company and information and explanations given to us, the company has generally been regular in depositing the undisputed statutory dues, including Provident fund, Employees State Insurance (ESI), Investor Education and Protection Fund, Income tax, Tax deducted at source, Professional Tax, Sales tax, Value Added Tax (VAT), Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us, undisputed amounts of Rs 57,15,942 payable in respect of duty of excise and VAT were in arrears as at 31st March 2018 for a period of more than six month from the date they become Payable.

Particulars	Amount (Rs)	Period to which amount relates
Delhi Vat	28,84,462	Upto June-2017
Rajasthan vat	24,91,588	Upto June-2017
UP Vat	2,21,105	Upto June-2017
Excise Duty	1,18,787	Upto June-2017
Total	57,15,942	Upto June-2017

According to the information and explanations given to us, there are no material dues of duty of excise, duty of customs, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and

explanations given to us, the following dues of income tax, VAT have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount	Period to which amount relates	Forum where dispute is pending
Income tax Act	Income tax	2,92,14,759	AY 2013-14	CIT(A) Delhi

8. The working capital limit of Rs 7,97,29,492 and term loan of Rs 18,83,990 has become Non Performing asset during the FY 2017-2018. Banks has initiated the proceedings under the provision of The Securitization and reconstruction of financial statement and enforcement of security Interest (SARFAESI) Act,2002
9. According to the information and explanations given to us, the Company has not raised any term loans and by way of further public offer during the year, hence clause 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no fraud by the company or no fraud on the Company by the Company's officers or employees has been noticed or reported during the year.
11. According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid / provided for managerial remuneration, in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Therefore, the provision of clause 3 (xii) of the Order are not applicable.
13. The transactions with the related parties made by the Company are in compliance with sections 177 and 188 of Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. According to the information and explanation given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures

during the year and hence clause 3 (xiv) of the Order is not applicable.

15. According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any non- cash transactions with directors or persons connected with him and hence clause 3 (xv) of the Order are not applicable.
16. In our opinion and according to the information and explanation given to us ,the company is not required to be registered under section 45 IA of the Reserve Bank of India Act,1934.

For Shalin Poddar & Associates

Chartered Accountants

Firms Registration No. 020397C

(Shalin Poddar)

Partner

Membership No. 515616

Date: 29th May 2018

Place: New Delhi

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of RATHI GRAPHIC TECHNOLOGIES LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of RATHI GRAPHIC TECHNOLOGIES LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that

the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the company, considering the essential components of internal control stated in the guidance note issued by the ICAI

For Shalin Poddar & Associates

Chartered Accountants

Firms Registration No. 020397C

(Shalin Poddar)

Partner

Membership No. 515616

Date: 29th May 2018

Place: New Delhi

RATHI GRAPHIC TECHNOLOGIES LIMITED

CIN: L26960UP1991PLC013770

Balance Sheet as at 31st March , 2018

Particulars	Note No	As at 31.03.2018	As at 31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	16,43,90,000	16,43,90,000
(b) Reserves and Surplus	3	18,91,29,206	26,24,30,580
		35,35,19,206	42,68,20,580
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	10,61,22,508	9,83,10,516
(b) Other Long Term Liabilities	5	14,38,000	16,97,000
(c) Long Term Provisions	6	29,14,015	27,47,906
		11,04,74,523	10,27,55,422
(3) Current Liabilities			
(a) Short-Term Borrowings	7	7,97,29,492	7,08,38,654
(b) Trade Payable	8	89,44,632	4,47,64,248
(c) Other Current Liabilities	9	2,02,55,535	3,61,23,203
(d) Short-Term Provisions	10	13,95,367	12,23,042
		11,03,25,026	15,29,49,147
Total Equity & Liabilities		57,43,18,755	68,25,25,149
II.ASSETS			
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>			
-Tangible Assets	11	12,79,28,951	13,37,16,024
(b) Non-current investments	12	30,49,02,680	30,42,61,620
(c) Deferred tax assets (net)	13	98,30,725	98,30,725
(d) Long term loans and advances	14	48,88,691	83,53,811
		44,75,51,047	45,61,62,180
<u>(2) Current Assets</u>			
(a) Inventories	15	1,02,25,625	5,57,41,476
(b) Trade receivables	16	10,65,80,572	15,57,97,678
(c) Cash and cash equivalents	17	9,07,205	25,11,973
(d) Short-term loans and advances	18	28,64,852	27,95,279
(e) Other current assets	19	61,89,454	95,16,563
		12,67,67,708	22,63,62,969
Total Assets		57,43,18,755	68,25,25,149

The accompanying Notes 1 to 40 form an integral part of these financial statement.

In terms of our report of even date attached

For Shalin Poddar & Associates

Chartered Accountants

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Neeraj Kumar
Company Secretary
M. No-A-44725

Place: New Delhi
Date: 29/05/2018

Shiv Kumar
Chief Financial Officer

RATHI GRAPHIC TECHNOLOGIES LIMITED

CIN: L26960UP1991PLC013770

Profit and Loss Statement for the year ended 31st March, 2018

Sr. No	Particulars	Note No.	2017-18	2016-17
I	Revenue from operations	20	₹ 18,67,95,075	₹ 31,66,95,512
II	Other Income	21	2,81,463	1,75,539
III	Total Revenue (I +II)		18,70,76,538	31,68,71,051
IV	Expenses:			
	Cost of materials consumed	22	4,84,51,108	8,50,59,021
	Purchase of Stock-in-Trade		7,54,19,976	14,59,46,420
	Changes in inventories of F.G , W.I.P & Stock-in-Trade	23	3,99,44,585	84,65,165
	Employees Cost	24	1,67,52,451	1,64,98,461
	Financial Costs	25	69,40,017	1,25,72,910
	Depreciation and Amortization Cost	26	64,47,143	65,94,381
	Other Expenses	27	6,64,22,632	3,17,39,304
	Total Expenses (IV)		26,03,77,912	30,68,75,662
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(-7,33,01,374)	99,95,389
VI	Exceptional Items			
	(1) Depreciation Written Back		-	-
	(1) Depreciation on Revaluation Reserve on Building		61,696	61,696
VII	Profit before extraordinary items and tax (V - VI)		(-7,32,39,678)	1,00,57,085
VIII	Extraordinary Items		0	36145710
IX	Profit before tax (VII - VIII)		(-7,32,39,678)	4,62,02,795
X	Tax expense:			
	(1) Current tax / Provision on earlier year		-	1,03,33,000
	(2) Deferred tax Assets / (Liabilities)		-	(-6,55,441)
XI	Profit/(Loss) from continuing operations	(IX-X)	(-7,32,39,678)	3,65,25,236
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		(-7,32,39,678)	3,65,25,236
XVI	Earning per equity share:			
	(1) Basic		(-4.46)	2.22
	(2) Diluted		(-4.46)	2.22

The accompanying Notes 1 to 40 form an integral part of these financial statement.

In terms of our report of even date attached

For Shalin Poddar & Associates

Chartered Accountants

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Neeraj Kumar
Company Secretary
M. No-A-44725

Place: New Delhi
Date: 29/05/2018

Shiv Kumar
Chief Financial Officer

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

2. Share Capital

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>AUTHORIZED CAPITAL</u> 3,00,00,000 Equity Shares of Rs. 10/- each. (Previous year 3,00,00,000 Equity Shares of Rs.10/- each)	30,00,00,000	30,00,00,000
		<u>30,00,00,000</u>	<u>30,00,00,000</u>
2	<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u> 1,64,39,000 Equity Shares of Rs. 10/- each, Fully paid up (Previous year 1,64,39,000 Equity Share of Rs.10/- each, fully paid up)	16,43,90,000	16,43,90,000
	Total in ₹	16,43,90,000	16,43,90,000

Note:

a) **Reconciliation of Equity Share Capital (In Number)**

Shares Outstanding at the beginning of the year (Nos)	1,64,39,000	1,64,39,000
Add: Shares Issued during the year (Nos)	-	-
Less: Shares bought back during the year (Nos)	-	-
Shares Outstanding at the end of the year (Nos)	<u>1,64,39,000</u>	<u>1,64,39,000</u>

b) The Company has only one class of Equity Shares having face value of Rs.10/- each and each shareholder is entitled to one vote per share. Each shareholder have the right in profit/surplus in proportion to amount paid up with respect to their shareholdings.

c) Following Shareholders hold equity shares more than 5% of the total equity shares of the Company at the end of the period:

Name of Shareholder	No of Shares	% of Shareholding
DBG Leasing & Housing Limited	8,80,100	5.35
Alpha Stock & Finservices Pvt.Ltd.	19,78,158	12.03
Shark Packaging (India) Pvt.Ltd.	37,65,608	22.91
Raj Kumar Rathi	31,73,462	19.30

d) The Company has not issued shares for a consideration other than cash or bonus during the immediately preceding 5 years.

3. Share Capital

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Capital Reserve</u> At the Beginning of the year Additions during the year Deletion during ther year <u>Closing Balance</u>	20,00,000 - - <u>20,00,000</u>	20,00,000 - - <u>20,00,000</u>
2	<u>Share Premium Account</u> At the Beginning of the year Additions during the year Closing Balance	8,09,16,000 - <u>8,09,16,000</u>	8,09,16,000 - <u>8,09,16,000</u>
3	<u>Revaluation Reserve</u> At the Beginning of the year Additions during the year Deletion during ther year Closing Balance	7,02,51,261 - 61,696 <u>7,01,89,565</u>	7,03,12,957 - 61,696 <u>7,02,51,261</u>
4	<u>Profit & Loss Account</u> At the Beginning of the year Surplus as per Profit & Loss Account Deduction: Transferred to General Reserve Closing Balance	10,92,63,319 (-7,32,39,678) - <u>3,60,23,641</u>	7,27,38,084 3,65,25,236 - <u>10,92,63,319</u>
	Total in ₹	18,91,29,206	26,24,30,580

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

4. Long Term Borrowings

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Secured Loans</u>		
a)	Term Loan		
	- From Bank	18,83,990	20,17,142
	- From Others	-	-
b)	Car Loan		
	- From Banks	4,10,328	11,86,312
	- From Others	-	-
		22,94,318	32,03,454
	Less: Current Maturities of Secured Borrowings		
	Term Loan		
	- From Bank	-	6,76,380
	- From Others	-	-
	Car Loan		
	- From Banks	3,91,317	5,22,473
	- From Others	-	-
		3,91,317	11,98,853
		19,03,001	20,04,601
2	<u>Unsecured Loans</u>		
a)	- From Bank	-	-
b)	- From Others	1,10,77,828	1,33,84,861
		1,10,77,828	1,33,84,861
	Less: Current Maturities of Unsecured Borrowings		
	- From Bank	-	-
	- From Others	38,81,662	39,08,688
		38,81,662	39,08,688
		71,96,166	94,76,173
3	Loans from Related Parties	8,96,11,581	7,25,05,212
4	Others	74,11,760	1,43,24,530
	Total in ₹	10,61,22,508	9,83,10,516

Note:

- The Term Loan from State Bank of India is secured by hypothecation charge by covering entire Fixed Assets of the Company. Collateral security by extending of charge over Company's entire Current Assets (present and future) and personal Guarantee of promoter director Shri Raj Kumar Rathi.
- The Company's term loan account has been classified NPA in SBI on 30/10/2017 due to non -servicing of interest & principal and provision for interest has not been provided in the books since september 2017 onwards due to non availability of information from bank. Current maturity of term loan has also not been classified.
- Car Loan are secured against hypothecation of vehicles purchase thereunder. Repayment of monthly installment till the tenure pf loan concerned.

5. Other Long Term Liabilities

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Security Deposit</u>		
	-From Dealers	14,38,000	16,97,000
	Total in ₹	14,38,000	16,97,000

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

6. Long Term Provisions

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Provision for Gratuity & Leave Encashment		
	Gratuity Payable	25,32,567	23,33,565
	Leave Encashment Payable	3,81,448	4,14,341
	Total in ₹	29,14,015	27,47,906

7. Short Term Borrowings

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Working Capital facilities(Secured)		
	- from Bank	7,97,29,492	7,08,38,654
	Total in ₹	7,97,29,492	7,08,38,654

Note:

- The Working Capital limit from State Bank of India is secured by way of hypothecation over entire current assets of the Company. Collateral security by extending of charge over Company's entire fixed assets by way of equitable mortgage of Factory Land and Building at Bhiwadi, Rajasthan and Personal guarantee of promoter director Shri Raj Kumar Rathi.
- The Company's working capital limit has been classified NPA in SBI on 30/10/2017 due to non -servicing of interest & principal and provision for interest has not been provided in the books since August 2017 onwards due to non availability of information from bank.

8. Trade Payable

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Raw Materials & Packing Materials	80,41,792	4,38,84,446
2	Stores & Others	9,02,840	8,79,802
	Total in ₹	89,44,632	4,47,64,248

9. Other Current Liabilities

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	For Expenses	62,13,755	73,39,108
2	Current Maturities of Long Term Borrowings		
	- Secured	3,91,317	11,98,853
	- Unsecured	38,81,662	39,08,688
3	Advance from Customers & Others	29,79,111	16,88,355
4	Statutory Dues Payable	67,89,690	2,19,88,199
	Total in ₹	2,02,55,535	3,61,23,203

10. Short Term Provisions

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Provision For Employees Benefit		
	Gratuity Payable	10,15,996	9,17,097
	Leave Encashment Payable	3,79,371	3,05,945
	Total in ₹	13,95,367	12,23,042

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

11. Fixed Asset

₹

₹

Sr. No	Particulars	Gross Block			Depreciation			Net Block			
		Value at the beginning	Addition during the period	Deduction during the period	Value at the end	Value at the beginning	Addition during the period	Deduction during the period	Value at the end	as on 31.03.2018	as on 31.03.2017
I	<u>Tangible Assets</u>										
1	Land- Industrial Plot	7,14,00,000	-	-	7,14,00,000	-	-	-	-	7,14,00,000	7,14,00,000
2	Factory Building	4,44,06,663	-	-	4,44,06,663	2,64,98,868	14,69,868	-	2,79,68,736	1,64,37,927	1,79,07,795
3	Plant and Machinery	11,66,37,940	5,88,320	-	11,72,26,260	7,71,52,839	39,75,531	-	8,11,28,370	3,60,97,890	3,94,85,101
4	Furnitures & Fixtures	56,63,862	14,000	-	56,77,862	48,81,111	1,95,178	-	50,76,289	6,01,573	7,82,751
5	Vehicles (Cars)	78,97,640	-	-	78,97,640	44,72,402	6,73,865	-	51,46,267	27,51,373	34,25,238
6	Office Equipment	47,10,185	-	-	47,10,185	43,55,942	44,917	-	44,00,859	3,09,326	3,54,243
7	Computer	16,95,615	57,750	-	17,53,365	16,74,070	39,383	-	17,13,453	39,912	21,545
8	Electric Installation	39,96,363	-	-	39,96,363	37,15,983	35,662	-	37,51,645	2,44,718	2,80,380
9	Tubewell & Borewell	1,82,989	-	-	1,82,989	1,29,357	12,739	-	1,42,096	40,893	53,632
10	Tools & Dies	1,06,772	-	-	1,06,772	1,01,433	-	-	1,01,433	5,339	5,339
	SUB TOTAL (A)	25,66,98,029	6,60,070	-	25,73,58,099	12,29,82,005	64,47,143	-	12,94,29,148	12,79,28,951	13,37,16,024
II	<u>Capital Work-in-progress</u>										
	SUB TOTAL (B)	-	-	-	-	-	-	-	-	-	-
	Total [A+B] (Current Year)	25,66,98,029	6,60,070	-	25,73,58,099	12,29,82,005	64,47,143	-	12,94,29,148	12,79,28,951	13,37,16,024
	Total (Previous Year)	25,62,42,110	10,58,901	6,02,983	25,66,98,029	11,66,65,635	6594381	278011	12,29,82,005	13,37,16,024	13,95,76,475

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

12. Non Current Investments

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Investment in Property	35,76,321	29,35,261
2	Investment in Equity Shares		
	a. Quoted fully paid		
	Rathi Steel And Power Limited	12,45,550	12,45,550
	24911(Previous year 24911) shares @ Rs.10 /-each fully paid-up		
	b. Unquoted fully paid		
	RGTL Industries Limited	30,00,80,809	30,00,80,809
	9111830 (Previous year 9111830) Shares of Rs.10/-each fully paid-up		
	Total in ₹	30,49,02,680	30,42,61,620

Note:

- a) Market value of quoted investment is Rs.58042/- (Previous year Rs. 86,441/-).

13. Deferred Tax Assets

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Beginning of the Year	98,30,725	91,75,284
	Deferred Tax Assets / (Liabilities)	-	6,55,441
	Total in ₹	98,30,725	98,30,725

14. Long Term Loans and Advances

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Advances		
	a) Unsecured, Considered Good :	22,26,691	56,69,811
2	Security Deposit		
	a) Unsecured, Considered Good :		
	- Government	18,54,500	18,54,500
	b) Unsecured, Considered Good :		
	- Others	8,07,500	8,29,500
	Total in ₹	48,88,691	83,53,811

15. Inventories

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
	(as valued,taken and certified by the Management)		
1	Raw Materials	55,09,557	1,05,77,240
2	Finished Goods	2,98,200	2,38,82,062
3	Stores & Spares	13,07,303	11,63,120
4	Furnace Oil	-	23,564
5	Packing Materials	16,94,674	23,18,876
6	Work in Process	14,15,891	1,77,76,614
	Total in ₹	1,02,25,625	5,57,41,476

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

16. Trade Receivable

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
	<u>Unsecured, Considered Good :</u>		
1	Outstanding for more than six months	3,88,24,529	7,34,98,279
2	Others	38,05,855	8,22,99,399
	<u>Unsecured, Considered doubtful :</u>		
1	Outstanding for more than six months	6,39,50,188	-
	Total in ₹	10,65,80,572	15,57,97,678

17. Cash & Cash Equivalent

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Cash-in-Hand</u>		
	Cash Balance	8,00,844	5,34,373
	Sub Total (A)	8,00,844	5,34,373
2	<u>Bank Balance</u>		
	Balance with scheduled banks	66,265	2,62,907
	In Fixed Deposit held as Margin Money	40,096	17,14,693
	Sub Total (B)	1,06,361	19,77,600
	Total [A + B]	9,07,205	25,11,973

18. Short Term Loans and Advances

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	a) <u>Unsecured, Considered Good(Recoverable in cash or kind) :</u>		
	Advance to Suppliers	28,64,852	27,95,279
	Total in ₹	28,64,852	27,95,279

19. Other Current Assets

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Advance Recoverable in cash or in kind or for value to be considered good	1,85,579	8,06,679
2	Advance Income Tax/Refund Due	58,63,988	23,40,940
3	Balance With Revenue Authorities	58,400	61,69,338
4	Prepaid Expenses	81,487	1,99,606
	Total in ₹	61,89,454	95,16,563

20. Revenue from Operations

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	<i>Sales-Manufacturing</i>	8,45,52,062	11,96,77,474
	<i>Less: Excise Duty</i>	20,08,961	1,32,85,072
		8,25,43,101	10,63,92,402
2	<i>Sales-Trading</i>	10,42,51,974	21,03,03,110
	Total in ₹	18,67,95,075	31,66,95,512

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

21. Other Income

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Interest on Margin Money with Banks	1,38,284	1,44,820
2	Interest received on Security Deposits	1,25,179	-
3	Rent Received	18,000	30,000
4	Balances Written back	-	719
	Total in ₹	2,81,463	1,75,539

22. Cost of Material Consumed

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Raw Materials Consumed	4,52,61,259	8,19,71,039
2	Packing Materials Consumed	31,89,849	30,87,982
	Total in ₹	4,84,51,108	8,50,59,021

23. Change in Inventories

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Opening Stock of Finished Goods	2,38,82,062	3,15,20,097
	Opening Stock of Work-in-Process	1,77,76,614	1,86,03,744
	Opening Stock of Scrap	-	-
	Sub-Total (A)	4,16,58,676	5,01,23,841
2	Closing Stock of Finished Goods	2,98,200	2,38,82,062
	Closing Stock of Work-in-Process	14,15,891	1,77,76,614
	Closing stock of Scrap	-	-
	Sub-Total (B)	17,14,091	4,16,58,676
	Differnece (A-B)	3,99,44,585	84,65,165
	Add: Increase/ (Decrease) in excise duty on stock	0	0
	Total in ₹	3,99,44,585	84,65,165

24. Employees Costs

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Salary & Wages and Other Benefit	1,50,79,001	1,53,34,794
2	Contribution to Provident and other Funds	15,85,039	10,08,389
3	Staff Welfare Expenses	88,411	1,55,278
	Total in ₹	1,67,52,451	1,64,98,461

25. Financial Costs

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Interest on Loan from Banks	43,04,166	91,74,089
2	Interest on Other loans	23,13,438	22,89,303
3	Bank & Processing Charges	3,22,413	11,09,518
	Total in ₹	69,40,017	1,25,72,910

26. Depreciation & Amortisation Cost

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Depreciation	64,47,143	65,94,381
	Total in ₹	64,47,143	65,94,381

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

27. Other Expenses

		₹	₹
Sr. No	Particulars	2017-18	2016-17
	Other Manufacturing Expenses		
1	Stores and Spares Consumed	2,38,855	3,26,057
2	Power & Fuel	1,43,40,658	1,44,35,019
3	Insurance	1,91,321	2,71,651
	Sub Total (a)	1,47,70,834	1,50,32,727
	Repair & Maintenance		
1	Plant & Machinery	4,73,307	10,35,258
2	Vehicles	5,28,510	2,17,254
3	Others	3,08,203	7,61,099
	Sub Total (b)	13,10,020	20,13,611
	Administrative Expenses		
1	Directors Salary	21,20,000	28,80,000
2	Telephone, Telegram & Postage Expenses	5,50,684	4,73,729
3	Travelling & Conveyance Expenses	12,28,386	13,31,829
4	Fees & Subscription	6,35,211	7,50,718
5	General Expenses	68,44,150	12,06,586
6	Legal & Professional Charges	5,85,413	7,62,883
7	Previous Year expenses	1,00,763	32,496
8	Service Tax Paid	5,242	33,533
9	Printing & Stationery Expenses	4,15,717	4,42,137
10	Rent, Rates & Taxes	7,45,649	7,58,060
11	Loss on Sales of Car /investment	1,37,060	2,54,971
11	Donation	6,09,702	1,77,502
12	Foreign currency fluctuation	-	4,80,903
13	Misc Balances written off	32,19,157	-
14	Interest on Taxes	1,89,772	21,99,475
15	Auditors's Remuneration		
	-Audit Fee	80,000	1,01,300
	-Tax Audit Fee	20,000	30,000
	Sub Total (c)	4,64,59,306	1,19,16,122
	Selling & Distribution Expenses		
1	Advertisement & Publicity Expenses	99,181	1,89,098
2	Sales promotion Expenses	13,20,632	9,54,572
3	Selling Expenses	12,19,534	9,11,374
4	Freight Outward	12,43,125	72,1800
	Sub Total (d)	38,82,472	27,76,844
	Total (a+b+c+d)	6,64,22,632	3,17,39,304

OTHER NOTES ON ACCOUNTS

28. PROVISION FOR CURRENT AND DEFERRED TAX

In terms of old Accounting Standard "22" issued by The Institute of Chartered Accountants of India, in the absence of virtual certainty the Company has not recognized Deferred Tax Asset during the year. Henceforth Deferred Tax Asset has been carry forward as provided in the earlier year. The major components of Deferred Tax Liability and Deferred Tax assets are as under

Particulars	31.03.2018 (Rs.)	31.03.2017 (Rs.)
Depreciation as per Companies Act	-	65,94,381
Depreciation as per Income Tax Act	-	51,52,713
	-	14,41,668
Creation of Deferred Tax (Liabilities) /Assets (A)	-	4,76,659
Provision for Gratuity	-	5,40,732
Provision for Leave Encashment	-	-
	-	5,40,732
Creation of Deferred Tax Assets (B)	-	1,78,782
Net Deferred Tax (Liabilities)/Assets (A+B)	-	6,55,441
Closing Balance of Deferred Tax (Liabilities) /Assets (A+B) transfer to Balance Sheet	98,30,725	98,30,725

29. RELATED PARTY DISCLOSURES

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

a) Relationships

Particulars	Name of Related Parties
A. Associate Company	RGTL Industries Limited
B. Enterprises over which Key Management Personnel and/or relative who are able to exercise significant influence	Alpha Stocks & Fin services Pvt. Ltd Shark Packaging (India) Pvt. Ltd.
C. Key Management Personnel	Sh.Raj Kumar Rath (Managing Director)
D. Relatives of Key Management Personnel	Raj Kumar Rath (HUF) Smt. Sushila Rath Smt. Sushma Rath
E. Other entities	SMGK Agro Products Pvt. Limited

S.No.	Name of the Related Party	Relationship	Nature of Transaction	Debit Transactions	Credit Transactions	Balance as at Mar. 31, 2018	Balance as at Mar. 31, 2017
1	Shark Packaging (India) Pvt. Ltd	Promoter Company	Unsecured Loans	44,50,000	1,12,04,944	4,69,13,231 CR	4,01,58,287 CR
2	RGTL Industries Ltd	Associates	Unsecured Loans	95,36,642	1,26,07,987	33,25,544 CR	2,54,199 CR
3	Sh. Raj Kumar Rath	Managing Director	Remuneration	17,50,000	16,40,000	1,00,000 CR	2,10,000 CR
4	Sh. Raj Kumar Rath	Managing Director	Advance / Loan	2,21,83,000	2,86,58,881	3,81,04,921 CR	3,16,29,040 CR
5	Smt. Sushila Rath	Relative to Director	Rent/Security Deposit	-	3,26,700	952 DR	3,27,652 DR
6	Smt. Sushma Rath	Relative to Director	Advance / Loan	1,00,000	2,00,000	1,00,000 Cr	-
7	SMGK Agro Products Pvt. Limited	Other Entity	Advance / Loan	5,00,000	-	0.00	5,00,000 CR

30. (A) Value of Raw Material consumed:

(Rupees in Lacs)

Particulars	Imported				Indigenous			
	2017-18	%	2016-17	%	2017-18	%	2016-17	%
Materials	359.06	79.33%	794.58	96.94%	93.55	20.67%	25.13	3.06%
Packing Materials	0.00		0.00		31.89	100%	30.87	100%
Stores & Spares	0.00		0.00		2.38	100%	3.26	100%

(B) Value of Import during the year (CIF Basis)

(Rupees in Lacs)

Particulars	2017-18	2016-17
Raw Materials	316.70	694.48
Total	316.70	694.48

31. Payment to Auditor (Rupees in Lacs)

Particulars	2017-18	2016-17
Statutory Audit Fees	0.80	1.01
Tax Audit Fees	0.20	0.30
Other Capacity	0.25	0.58
Total*	1.25	1.89

32. In the opinion of the Management, the current assets and loans & advances would realize at least the amount at which these are stated in the Balance Sheet. Subject to classification as mentioned in the Balance Sheet.

33. CONTINGENT LIABILITIES

Contingent Liabilities not provided for:

- I. Letter of Credit established in favour of the suppliers for raw materials Rs.Nil (Previous year Rs. 95,55,271/-).
 - II. The Company has given corporate guarantee to banks/FI for credit facilities of Rs.142.59 Crores extended to M/s RGTL Industries Limited.
 - III. While completing the Sales tax assessment for the A.Y 2015-16 demand of Rs. 31.88 Lac has been raised on account of non submitting of C forms. The Company is in the processing of collecting the forms from the customers and is confident to get the demand abolished. Hence provision if any will be made at the appropriate time.
 - IV. While completing the block assessment, assessing officer has made additions of Rs. 2,04,90,000/- in A.Y 2010-11 and 7,50,00,000/-in A.Y 2013-14. Addition of A.Y 2010-11 has been adjusted against the carry forward losses to that extent and demand of Rs. 2,92,14,759/- has been made for the A.Y 2013-14. However the company has disputed the order and filed Appeal before the appellate authority. The company is quite confident to get the additions/ demand dismissed. Additional liability, if any, in respect of pending assessment / appeals , would be provided for on completion of assessment / disposal of appeals.
34. Necessary disclosures required under the Micro, Small and Medium Enterprises Development Act,2006, can only be considered once relevant information to identify the suppliers who are covered the said Act are received from such parties/suppliers.
35. 35 Foreign currency exposures that are not hedged by derivatives instruments or otherwise is as follows:

S.No.	Particulars	Foreign Currency	As at 31 March 2018		As at 31 March 2017	
			Amount (USD)	Amount(Rs.)	Amount(USD)	Amount(Rs.)
1.	Trade Receivable	USD	-	-	7,93,925	5,14,76,985
2.	Trade Payable	USD	-	-	4,72,100	3,06,10,304

36. The Bank account of the company has been classified as NPA. Hence interest has been provided in the books of account to the extent accounted for by the bank. Bank has also initiated recovery action u/s 13(4) of SARFASI Act 2002. Company in taking all necessary steps to settle the bank / get the debt restructured.

37. Expenditure and Earning in Foreign Currency is Rs. Nil (Previous year Rs. Nil) .

38. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

Earning per Equity Shares	Current Year			Previous Year		
	No. of Shares	Profit after Tax / (Loss)	EPS	No of Shares	Profit after Tax	EPS
Basic	1,64,39,000	(7,32,39,678)	(4.46)	1,64,39,000	3,65,25,236	2.22
Diluted	1,64,39,000	(7,32,39,678)	(4.46)	1,64,39,000	3,65,25,236	2.22

39. Balance of debtors, creditors, loans and advances are subject to reconciliation and confirmation.

40. Previous year figures have been regrouped / rearranged wherever necessary, to correspond to current year figures.

As per our report of even date

For Shalin Poddar & Associates

Chartered Accountants

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Neeraj Kumar
Company Secretary
M. No-A-44725

Place: New Delhi
Date: 29th May, 2018

Shiv Kumar
Chief Financial Officer

RATHI GRAPHIC TECHNOLOGIES LIMITED**CIN: L26960UP1991PLC013770****Cash Flow Statement for the year ended 31st March, 2018**

Particulars	2017-18 ₹	2016-17 ₹
Cash Flow from Operating Activities		
Net Profit before taxation, and extraordinary items	(-7,33,01,374)	99,95,389
Adjustment for:		
Depreciation	64,47,143	65,94,381
Interest Income	(-1,38,284)	(-1,44,820)
Interest Paid	69,40,017	1,25,72,910
Other misc. income	(-18,000)	(-30,000)
Loss/(Profit) on sale of Fixed Assets	1,37,060	2,54,971
Operating Profit before working Capital changes	(-5,99,33,438)	2,92,42,831
(Increase)/Decrease in Trade Receivables	4,92,17,106	(-3,03,31,648)
(Increase)/Decrease in Inventories	4,55,15,851	1,81,61,740
Increase/(Decrease) in Trade Payables	(-3,58,19,616)	(-5,87,026)
Increase/(Decrease) in other long term liabilities	(-2,59,000)	1,80,000
Increase/(Decrease) in long term provisions	1,66,109	4,73,822
Increase/(Decrease) in other current liabilities	(-1,50,33,106)	43,76,500
Increase/(Decrease) in other short term provisions	1,72,325	1,03,63,339
(Increase)/Decrease in long term loans & advances	34,65,120	(-1,95,000)
(Increase)/Decrease in short term loans & advances	(-69,573)	(-3,29,258)
(Increase)/Decrease in other current assets	33,27,109	20,87,849
Cash generated from Operations	(-92,51,113)	3,34,43,149
Income Tax Paid	-	1,03,33,000
Cash Flow before extraordinary item	(-92,51,113)	2,31,10,149
Extraordinary items (specifying nature)	-	-
Net Cash from Operating Activities -A	(-92,51,113)	2,31,10,149
Cash Flow from Investing Activities		
Purchase of Tangible Fixed Assets	(-6,60,070)	(-10,58,901)
Sale of Long Term Investment	(-6,41,060)	4,61,45,710
Sale of Tangible Fixed Assets	(-1,37,060)	70,000
Interest Received	1,38,284	1,44,820
Other misc. Income	18,000	30,000
Net Cash from Investing Activities -B	(-12,81,906)	4,53,31,629
Cash Flow from Financing Activities		
Proceeds from issuance of Share Capital (Including Share Premium)	-	-
Proceeds from Long Term Borrowings	69,77,429	(-5,82,37,485)
Proceeds from Short Term Borrowings	88,90,838	11,62,670
Interest Paid	(-69,40,017)	(-1,25,72,910)
Net Cash used in Financing Activities-C	89,28,251	-6,96,47,725
Net increase in cash and Cash Equivalents (A+B+C)	(-16,04,768)	(-12,05,947)
Cash and Cash Equivalents at beginning of period (See Note 1)	25,11,973	37,17,920
Cash and Cash Equivalents at end of period (See Note 1)	9,07,205	25,11,973

The accompanying Notes 1 to 40 form an integral part of these financial statement.

In terms of our report of even date attached

For Shalin Poddar & Associates

Chartered Accountants

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Neeraj Kumar
Company Secretary
M. No-A-44725

Place: New Delhi
Date: 29th May, 2018

Shiv Kumar
Chief Financial Officer

Rathi Graphic Technologies Limited

Notes to financial statement for the period 1st April, 2017 to 31st March, 2018

Nature of Operation

Rathi Graphic Technologies Limited ("the Company") was incorporated on December 02, 1991. The company is engaged in the business of Toners, Developers & related products.

1. Significant Accounting Policies

I. Accounting Convention

The accounts of the Company have been prepared under the historical cost convention on accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and not comply with the mandatory accounting standards (Ind-AS) notified under the relevant provisions of the Companies Act, 2013. The financial statements are presented in Indian rupees rounded off to nearest decimal.

The Company has also reclassified/ regrouped the previous year figures in accordance with the requirements applicable in the current year.

II. TANGIBLE FIXED ASSETS AND DEPRECIATION

- a) Tangible Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation /amortization / impairment. The cost of fixed assets includes effect of exchange difference on long term foreign currency borrowings, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowings cost directly attributable to fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Interest on loans and other financial charges in respect of qualifying assets and expenditure incurred on start up and commissioning of the project and or substantial expansion, including the expenditure incurred on Trial Runs up to the date of commencement of commercial production are capitalized.
- b) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, as per Straight Line Method (SLM).

III. INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investment is classified as long-term investments. However,

that part of long-term investments which is expected to be realized within 12 months after reporting date is also presented under 'current assets as "current portion of long-term investments" in consonance with the current-non-current classification scheme.

Long- term investments are valued at cost. Any decline other than temporary, in the value of long-term investments, is adjusted in the carrying value of such investments.

Current investments are carried forward at lower of cost and fair value

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss. Profit or Loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed of, if any.

IV. VALUATION OF INVENTORIES

Inventories are valued as per AS-2 (Valuation of Inventories) & relevant guidance note issued by the ICAI as under:

- a) Stocks of Raw Materials are valued at cost by adopting FIFO Method.
- b) Stock of Work in process is valued at cost of Raw Material and proportionate direct manufacturing expenses.
- c) Stock of stores, spares and packing material are valued at cost by adopting FIFO Method.
- d) Stocks of finished goods are valued at lower of cost or net realizable value. Cost includes raw material cost and appropriate share of manufacturing expenses and is inclusive of depreciation.
- e) By-product, if any is valued at net realizable value.

V. BORROWING COSTS

Borrowing costs attributable to acquisition, construction of qualifying assets are capitalized as part of cost of the relevant assets up to the date the asset is put to use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

VI. FOREIGN CURRENCY TRANSACTIONS

Transactions for foreign currency are recorded at the exchange rate prevailing on the date of transaction. For the foreign currency transactions outstanding at the end of the year, the exchange rate differences are being recognized at year end. However, foreign currency transactions which are settled up to the date of balance sheet, the exchange

fluctuation is therefore accounted for on actual basis.

VII. IMPAIRMENT OF ASSETS

In case of indication of impairment of the carrying amount of the Company's assets, an asset's recoverable amount is estimated. Impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

Reversal of impairment Loss recognized in prior periods is recorded when there is an indication that the impairment loss recognized for the assets no longer exists or has decreased.

Post impairment depreciation is provided on the revised carrying value of the assets over its remaining useful life.

VIII. Earnings per Share

Basic earnings per share are calculated by dividing the net profit/ (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding.

IX. REVENUE RECOGNITION

- a) Sales are recognized on dispatch of goods to customers. Gross Sales represents invoiced value of goods sold, net of sales tax and other Taxes.
- b) Profit / Loss on sale of Fixed Assets are recognized in the year of sale.
- c) Interest is accounted on accrual basis.
- d) Dividend is accounted on receipt basis.

X. EMPLOYEE BENEFIT

a) Short-term employee benefits:

All employee benefit falling due within twelve months of the end of the period in which the employee render the related services are classified as short term employee benefits, which include benefits like salaries, wages etc. which are recognized as expenses in the period in which the employee renders the related service and measured accordingly.

b) Post-employment benefits:

Post employment benefit plans are classified into defined contribution plans and defined benefit plans in line with the requirements of old AS-15 on "Employee Benefit".

Gratuity and Leave Encashment

Gratuity and leave encashment which are defined benefits are recognized in the Statement of Profit and Loss based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary.

Statement of the Gratuity & Leave encashment as at 31 March, 2018 is as follow:

		Gratuity (Non Funded)	Leave Encashment (Non-Fund- ed)	Gratuity (Non-Funded)	Leave Encashment (Non-Fund- ed)
		31.03.2018		31.03.2017	
I	Expense recognized in the Statement of Profit and Loss				
A	Current Service cost	3,58,938.00	1,06,992.00	3,59,911.00	99,823.00
b	Interest cost	2,51,926.00	55,822.00	2,03,245.00	56,764.00
c	Expected return on plan asset	-		-	
d	Net actuarial (gain)/loss recognized in the period	(1,54,847.00)	(89,172.00)	(22,424.00)	(1,73,029.00)
E	Expenses recognized in Statement of Profit and Loss	4,56,017.00	73,642.00	5,40,732.00	(16,442.00)
II	Net Assets/(Liabilities) Recognized in the Balance Sheet				
a	Present value of obligation as at the end of the period	35,48,563.00	7,60,819.00	32,50,662.00	7,20,286.00
b	Fair Value of plan asset as at the end of the period	-	-	-	-
c	Funded status	(35,48,563.00)	(7,60,819.00)	(32,50,662.00)	(7,20,286.00)
d	Net Assets/(Liabilities) recognized in the balance sheet	(35,48,563.00)	(7,60,819.00)	(32,50,662.00)	(7,20,286.00)
III	Change in present value of obligation				
a	Present value of obligation as at beginning of the period	32,50,662.00	7,20,286.00	27,09,930.00	7,56,857.00
b	Interest cost	2,51,926.00	55,822.00	2,03,245.00	56,764.00
c	Current Service cost	3,58,938.00	1,06,992.00	3,59,911.00	99,823.00
d	Benefits Paid(if any)	(1,58,116.00)	(33,109.00)	-	(20,129.00)
e	Actuarial (Gain)/Loss on obligation	(1,54,847.00)	(89,172.00)	(22,424.00)	(1,73,029.00)
f	Present value of obligation at the end of the period	35,48,563.00	7,60,819.00	32,50,662.00	7,20,286.00
IV	Changes in the fair value of plan assets				
a	Fair value of plan assets as at beginning of the period	-	-	-	-
b	Expected return on plan assets	-	-	-	-
c	Contributions	-	-	-	-
d	Benefits Paid	-	-	-	-
e	actuarial (Gain)/Loss on plan assets	-	-	-	-
f	Fair value of plan assets at the end of the period	-	-	-	-
V	The Major Category of Plan assets as a percentage to total plan				
	Mutual Funds/Govt.Securities/Bank	0%	-	0%	-
VI	Actuarial Assumptions				
	Economic Assumptions-				
	Discounting Rate	7.50%PA	7.75%PA	7.50%PA	7.50%PA
	Future Salary Increase	6.00% PA	6.00% PA	6.00% PA	6.00% PA
	Expected Rate of return on plan assets	0	0	0	0
	Demographic Assumptions-				
	Retirement Age	58	58	58	58
	Mortality Table	IALM	IALM	IALM	IALM
		(2006-08)	(2006-08)	(2006-08)	(2006-08)
	Withdrawal rate	5.00%pa	5.00%pa	5.00%pa	5.00%pa

Independent Auditors' Report

To the Members of

RATHI GRAPHIC TECHNOLOGIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Rathi Graphic Technologies Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Other Matter

We did not audit the financial statement of Associates M/s RGTL Industries Limited. These financial statement have been audited by other auditors whose reports have been furnished to us by the management of the holding company and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosure in respect of these associates and our report in terms of sub section (3) of section 143 of the Act, in so far as relates to the aforesaid associates, is based solely on the reports of the other auditors.

In our opinion and to the best of our information and according to the explanation given to us, these consolidated financial statement do not comply with the IND AS prescribed under section 133 of the companies act 2013. Therefore we express a disclaimer opinion.

The working capital limit and term loan has become Non Performing asset during the FY 2017-2018. Banks has been initiated the proceedings under the provision of The Securitization and reconstruction of financial statement and enforcement of security Interest (SARFAESI) Act, 2002

The bank account of associates company has been classifies as NPA in SBI on 29/03/2017 due to non-servicing of interest & principal and in consortium member bank viz. Vijay bank and Bank of Maharashtra it has been classified as NPA on 31/03/2017 and 30.06.2017 respectively

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information

required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its consolidated profit and its cash flows for the year ended on the date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the associate companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Companies Act, 2013, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'.
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact on its financial positions .
- ii. The Company has made necessary provision in its consolidated financial statements under the applicable law or accounting standards, wherever required;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Shalin Poddar & Associates

Chartered Accountants

Firms Registration No.020397C

(Shalin Poddar)

Partner

Membership No. 515616

Date: 03rd September, 2018

Place: New Delhi

Annexure 'A' to the Independent Auditor's Report of even date on the Consolidated Financial Statements of RATHI GRAPHIC TECHNOLOGIES LIMITED

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

We have audited the internal financial controls over financial reporting of RATHI GRAPHIC TECHNOLOGIES LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid report under section 143 (3) (1) of the act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to associates M/s RGTL Industries Limited of the parent company, which are incorporated reports of the auditors of such companies incorporated in India.

For Shalin Poddar & Associates

Chartered Accountants

Firms Registration No.020397C

(Shalin Poddar)

Partner

Membership No. 515616

Date: 03rd September, 2018

Place: New Delhi

RATHI GRAPHIC TECHNOLOGIES LIMITED**CIN: L26960UP1991PLC013770****Consolidated Balance Sheet as at 31st March , 2018**

Particulars	Note No	As at 31.03.2018	As at 31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	16,43,90,000	16,43,90,000
(b) Reserves and Surplus	3	(7,79,73,365)	40,15,92,040
		8,64,16,635	56,59,82,040
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	10,61,22,508	9,83,10,516
(b) Other Long Term Liabilities	5	14,38,000	16,97,000
(c) Long Term Provisions	6	29,14,015	27,47,906
		11,04,74,523	10,27,55,422
(3) Current Liabilities			
(a) Short-Term Borrowings	7	7,97,29,492	7,08,38,654
(b) Trade Payable	8	89,44,632	4,47,64,248
(c) Other Current Liabilities	9	2,02,55,535	3,61,23,203
(d) Short-Term Provisions	10	13,95,367	12,23,042
		11,03,25,026	15,29,49,147
Total Equity & Liabilities		30,72,16,183	82,16,86,609
II.ASSETS			
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>			
-Tangible Assets	11	12,79,28,951	13,37,16,024
(b) Non-current investments	12	3,78,00,108	44,34,23,079
(c) Deferred tax assets (net)	13	98,30,725	98,30,725
(d) Long term loans and advances	14	48,88,691	83,53,811
		18,04,48,475	59,53,23,639
<u>(2) Current Assets</u>			
(a) Inventories	15	1,02,25,625	5,57,41,476
(b) Trade receivables	16	10,65,80,572	15,57,97,678
(c) Cash and cash equivalents	17	9,07,205	25,11,973
(d) Short-term loans and advances	18	28,64,852	27,95,279
(e) Other current assets	19	61,89,454	95,16,563
		12,67,67,708	22,63,62,969
Total Assets		30,72,16,183	82,16,86,609

The accompanying Notes 1 to 41 form an integral part of these financial statement.

In terms of our report of even date attached

For Shalin Poddar & Associates**Chartered Accountants**

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Shiv Kumar
Chief Financial Officer

Place: New Delhi**Date: 03rd Sep. 2018**

RATHI GRAPHIC TECHNOLOGIES LIMITED

CIN: L26960UP1991PLC013770

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

Sr. No	Particulars	Note No.	2017-18	2016-17
			₹	₹
I	Revenue from operations	20	18,67,95,075	31,66,95,512
II	Other Income	21	2,81,463	1,75,539
III	Total Revenue (I +II)		18,70,76,538	31,68,71,051
IV	Expenses:			
	Cost of materials consumed	22	4,84,51,108	8,50,59,021
	Purchase of Stock-in-Trade		7,54,19,976	14,59,46,420
	Changes in inventories of F.G , W.I.P & Stock-in-Trade	23	3,99,44,585	84,65,165
	Employees Cost	24	1,67,52,451	1,64,98,461
	Financial Costs	25	69,40,017	1,25,72,910
	Depreciation and Amortization Cost	26	64,47,143	65,94,381
	Other Expenses	27	6,64,22,632	3,17,39,304
	Total Expenses (IV)		26,03,77,912	30,68,75,662
V	Profit before exceptional and extraordinary items and tax	(III - IV)	(-7,33,01,374)	99,95,389
VI	Exceptional Items			
	(1) Depreciation Written Back		-	-
	(1) Depreciation on Revaluation Reserve on Building		61,696	61,696
VII	Profit before extraordinary items and tax (V - VI)		(-7,32,39,678)	1,00,57,085
VIII	Extraordinary Items		0	36145710
IX	Profit before tax (VII - VIII)		(-7,32,39,678)	4,62,02,795
X	Tax expense:			
	(1) Current tax / Provision on earlier year		-	1,03,33,000
	(2) Deferred tax Assets / (Liabilities)		-	-6,55,441
XI	Profit/(Loss) from continuing operations	(IX-X)	(-7,32,39,678)	3,65,25,236
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Add: Share of Profit / (Loss) attributable to Associates Company		(-40,62,64,031)	(-16,33,21,813)
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		(-47,95,03,709)	(-12,67,96,577)
XVI	Earning per equity share:			
	(1) Basic		(-29.17)	(-7.71)
	(2) Diluted		(-29.17)	(-7.71)

The accompanying Notes 1 to 41 form an integral part of these financial statement.

In terms of our report of even date attached

For Shalin Poddar & Associates

Chartered Accountants

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Shiv Kumar
Chief Financial Officer

Place: New Delhi
Date: 03rd Sep. 2018

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

2. Share Capital

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>AUTHORIZED CAPITAL</u> 3,00,00,000 Equity Shares of Rs. 10/- each. (Previous year 3,00,00,000 Equity Shares of Rs.10/- each)	30,00,00,000	30,00,00,000
		<u>30,00,00,000</u>	<u>30,00,00,000</u>
2	<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u> 1,64,39,000 Equity Shares of Rs. 10/- each, Fully paid up (Previous year 1,64,39,000 Equity Share of Rs.10/- each, fully paid up)	16,43,90,000	16,43,90,000
	Total in ₹	16,43,90,000	16,43,90,000

Note:

a) **Reconciliation of Equity Share Capital (In Number)**

Shares Outstanding at the beginning of the year (Nos)	1,64,39,000	1,64,39,000
Add: Shares Issued during the year (Nos)	-	-
Less: Shares bought back during the year (Nos)	-	-
Shares Outstanding at the end of the year (Nos)	<u>1,64,39,000</u>	<u>1,64,39,000</u>

b) The Company has only one class of Equity Shares having face value of Rs.10/- each and each shareholder is entitled to one vote per share. Each shareholder have the right in profit/surplus in proportion to amount paid up with respect to their shareholdings.

c) Following Shareholders hold equity shares more than 5% of the total equity shares of the Company at the end of the period:

Name of Shareholder	No of Shares	% of Shareholding
DBG Leasing & Housing Limited	8,80,100	5.35
Alpha Stock & Finservices Pvt.Ltd.	19,78,158	12.03
Shark Packaging (India) Pvt.Ltd.	37,65,608	22.91
Raj Kumar Rathi	31,73,462	19.30

d) The Company has not issued shares for a consideration other than cash or bonus during the immediately preceding 5 years.

3. Reserve & Surplus

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Capital Reserve</u> At the Beginning of the year Additions during the year Deletion during ther year <u>Closing Balance</u>	20,00,000 - - <u>20,00,000</u>	20,00,000 - - <u>20,00,000</u>
2	Share Premium Account At the Beginning of the year Additions during the year Closing Balance	8,09,16,000 - <u>8,09,16,000</u>	8,09,16,000 - <u>8,09,16,000</u>
3	<u>Revaluation Reserve</u> At the Beginning of the year Additions during the year Deletion during ther year Closing Balance	7,02,51,261 - 61,696 <u>7,01,89,565</u>	7,03,12,957 - 61,696 <u>7,02,51,261</u>
4	<u>Profit & Loss Account</u> At the Beginning of the year Surplus as per Profit & Loss Account Share of Profit / (Loss) in Associated Companies during the year Closing Balance Total in ₹	24,84,24,779 (-7,32,39,678) (-40,62,64,031) <u>(-23,10,78,930)</u> (-7,79,73,365)	37,52,21,356 3,65,25,236 (-16,33,21,813) <u>24,84,24,779</u> 40,15,92,040

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

4. Long Term Borrowings

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Secured Loans		
a)	Term Loan		
	- From Bank	18,83,990	20,17,142
	- From Others	-	-
b)	Car Loan		
	- From Banks	4,10,328	11,86,312
	- From Others	-	-
		22,94,318	32,03,454
	Less: Current Maturities of Secured Borrowings		
	Term Loan		
	- From Bank	-	6,76,380
	- From Others	-	-
	Car Loan		
	- From Banks	3,91,317	5,22,473
	- From Others	-	-
		3,91,317	11,98,853
		19,03,001	20,04,601
2	Unsecured Loans		
a)	- From Bank	-	-
b)	- From Others	1,10,77,828	1,33,84,861
		1,10,77,828	1,33,84,861
	Less: Current Maturities of Unsecured Borrowings		
	- From Bank	-	-
	- From Others	38,81,662	39,08,688
		38,81,662	39,08,688
		71,96,166	94,76,173
3	Loans from Related Parties	8,96,11,581	7,25,05,212
4	Others	74,11,760	1,43,24,530
	Total in ₹	10,61,22,508	9,83,10,516

Note:

- The Term Loan from State Bank of India is secured by hypothecation charge by covering entire Fixed Assets of the Company. Collateral security by extending of charge over Company's entire Current Assets (present and future) and personal Guarantee of promoter director Shri Raj Kumar Rathi.
- The Company's term loan account has been classified NPA in SBI on 30/10/2017 due to non -servicing of interest & principal and provision for interest has not been provided in the books since september 2017 onwards due to non availability of information from bank. Current maturity of term loan has also not been classified.
- Car Loan are secured against hypothecation of vehicles purchase thereunder. Repayment of monthly installment till the tenure pf loan concerned.

5. Other Long Term Liabilities

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Security Deposit		
	-From Dealers	14,38,000	16,97,000
	Total in ₹	14,38,000	16,97,000

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

6. Long Term Provisions

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Provision for Gratuity & Leave Encashment</u>		
	Gratuity Payable	25,32,567	23,33,565
	Leave Encashment Payable	3,81,448	4,14,341
	Total in ₹	29,14,015	27,47,906

7. Short Term Borrowings

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Working Capital facilities(Secured)</u>		
	- from Bank	7,97,29,492	7,08,38,654
	Total in ₹	7,97,29,492	7,08,38,654

Note:

- The Working Capital limit from State Bank of India is secured by way of hypothecation over entire current assets of the Company. Collateral security by extending of charge over Company's entire fixed assets by way of equitable mortgage of Factory Land and Building at Bhiwadi, Rajasthan and Personal guarantee of promoter director Shri Raj Kumar Rathi.
- The Company's working capital limit has been classified NPA in SBI on 30/10/2017 due to non -servicing of interest & principal and provision for interest has not been provided in the books since August 2017 onwards due to non availability of information from bank.

8. Trade Payable

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Raw Materials & Packing Materials	80,41,792	4,38,84,446
2	Stores & Others	9,02,840	8,79,802
	Total in ₹	89,44,632	4,47,64,248

9. Other Current Liabilities

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	For Expenses	62,13,755	73,39,108
2	Current Maturities of Long Term Borrowings		
	- Secured	3,91,317	11,98,853
	- Unsecured	38,81,662	39,08,688
3	Advance from Customers & Others	29,79,111	16,88,355
4	Statutory Dues Payable	67,89,690	2,19,88,199
	Total in ₹	2,02,55,535	3,61,23,203

10. Short Term Provisions

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Provision For Employees Benefit</u>		
	Gratuity Payable	10,15,996	9,17,097
	Leave Encashment Payable	3,79,371	3,05,945
	Total in ₹	13,95,367	12,23,042

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

11. Fixed Asset

₹ ₹

Sr. No	Particulars	Gross Block			Depreciation		Net Block		
		Value at the beginning	Addition during the period	Deduction during the period	Value at the end	Value at the beginning	Addition during the period	Deduction during the period	Value at the end
I	Tangible Assets								
1	Land- Industrial Plot	7,14,00,000	-	-	7,14,00,000	-	-	-	7,14,00,000
2	Factory Building	4,44,06,663	-	-	4,44,06,663	2,64,98,868	14,69,868	-	1,64,37,927
3	Plant and Machinery	11,66,37,940	5,88,320	-	11,72,26,260	7,71,52,839	39,75,531	-	3,60,97,890
4	Furnitures & Fixtures	56,63,862	14,000	-	56,77,862	48,81,111	1,95,178	-	6,01,573
5	Vehicles (Cars)	78,97,640	-	-	78,97,640	44,72,402	6,73,865	-	27,51,373
6	Office Equipment	47,10,185	-	-	47,10,185	43,55,942	44,917	-	3,09,326
7	Computer	16,95,615	57,750	-	17,53,365	16,74,070	39,383	-	39,912
8	Electric Installation	39,96,363	-	-	39,96,363	37,15,983	35,662	-	2,44,718
9	Tubewell & Borewell	1,82,989	-	-	1,82,989	1,29,357	12,739	-	40,893
10	Tools & Dies	1,06,772	-	-	1,06,772	1,01,433	-	-	5,339
	SUB TOTAL (A)	25,66,98,029	6,60,070	-	25,73,58,099	12,29,82,005	64,47,143	-	12,94,29,148
II	Capital Work-in-progress								
	SUB TOTAL (B)	-	-	-	-	-	-	-	-
	Total [A + B] (Current Year)	25,66,98,029	6,60,070	-	25,73,58,099	12,29,82,005	64,47,143	-	12,94,29,148
	Total (Previous Year)	25,62,42,110	10,58,901	6,02,983	25,66,98,029	11,66,65,635	6594381	278011	12,29,82,005
									13,37,16,024
									13,95,76,475

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

12. Non Current Investments

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Investment in Property	35,76,321	29,35,261
2	Investment in Equity Shares		
	a. Quoted fully paid		
	Rathi Steel And Power Limited	12,45,550	12,45,550
	24911(Previous year 24911) shares @ Rs.10 /-each fully paid-up		
	b.Unquoted fully paid		
	RGTL Industries Limited	30,00,80,809	30,00,80,809
	9111830 (Previous year 9111830) Shares of Rs.10/-each fully paid-up		
	Addition on Consolidation on Equity Method	(26,71,02,572)	13,91,61,459
	(Capital reserve / Good will was nil at the time of aquisition)		
	Total in ₹	3,78,00,108	44,34,23,079

Note:

- a) Market value of quoted investment is Rs.58042/- (Previous year Rs. 86,441/-).

13. Deferred Tax Assets

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Beginning of the Year	98,30,725	91,75,284
	Deferred Tax Assets / (Liabilities)	-	6,55,441
	Total in ₹	98,30,725	98,30,725

14. Long Term Loans and Advances

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Advances		
	a) Unsecured, Considered Good :	22,26,691	56,69,811
2	Security Deposit		
	a) Unsecured, Considered Good :		
	- Government	18,54,500	18,54,500
	b) Unsecured, Considered Good :		
	- Others	8,07,500	8,29,500
	Total in ₹	48,88,691	83,53,811

15. Inventories

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
	(as valued,taken and certified by the Management)		
1	Raw Materials	55,09,557	1,05,77,240
2	Finished Goods	2,98,200	2,38,82,062
3	Stores & Spares	13,07,303	11,63,120
4	Furnace Oil	-	23,564
5	Packing Materials	16,94,674	23,18,876
6	Work in Process	14,15,891	1,77,76,614
	Total in ₹	1,02,25,625	5,57,41,476

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

16. Trade Receivable

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
	<u>Unsecured, Considered Good :</u>		
1	Outstanding for more than six months	3,88,24,529	7,34,98,279
2	Others	38,05,855	8,22,99,399
	<u>Unsecured, Considered doubtful :</u>		
1	Outstanding for more than six months	6,39,50,188	-
	Total in ₹	10,65,80,572	15,57,97,678

17. Cash & Cash Equivalent

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	<u>Cash-in-Hand</u>		
	Cash Balance	8,00,844	5,34,373
	Sub Total (A)	8,00,844	5,34,373
2	<u>Bank Balance</u>		
	Balance with scheduled banks	66,265	2,62,907
	In Fixed Deposit held as Margin Money	40,096	17,14,693
	Sub Total (B)	1,06,361	19,77,600
	Total [A + B]	9,07,205	25,11,973

18. Short Term Loans and Advances

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	a) <u>Unsecured, Considered Good(Recoverable in cash or kind) :</u>		
	Advance to Suppliers	28,64,852	27,95,279
	Total in ₹	28,64,852	27,95,279

19. Other Current Assets

		₹	₹
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
1	Advance Recoverable in cash or in kind or for value to be considered good	1,85,579	8,06,679
2	Advance Income Tax/Refund Due	58,63,988	23,40,940
3	Balance With Revenue Authorities	58,400	61,69,338
4	Prepaid Expenses	81,487	1,99,606
	Total in ₹	61,89,454	95,16,563

20. Revenue from Operations

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	<i>Sales-Manufacturing</i>	8,45,52,062	11,96,77,474
	<i>Less: Excise Duty</i>	20,08,961	1,32,85,072
		8,25,43,101	10,63,92,402
2	<i>Sales-Trading</i>	10,42,51,974	21,03,03,110
	Total in ₹	18,67,95,075	31,66,95,512

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

21. Other Income

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Interest on Margin Money with Banks	1,38,284	1,44,820
2	Interest received on Security Deposits	1,25,179	-
3	Rent Received	18,000	30,000
4	Balances Written back	-	719
	Total in ₹	2,81,463	1,75,539

22. Cost of Material Consumed

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Raw Materials Consumed	4,52,61,259	8,19,71,039
2	Packing Materials Consumed	31,89,849	30,87,982
	Total in ₹	4,84,51,108	8,50,59,021

23. Change in Inventories

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Opening Stock of Finished Goods	2,38,82,062	3,15,20,097
	Opening Stock of Work-in-Process	1,77,76,614	1,86,03,744
	Opening Stock of Scrap	-	-
	Sub-Total (A)	4,16,58,676	5,01,23,841
2	Closing Stock of Finished Goods	2,98,200	2,38,82,062
	Closing Stock of Work-in-Process	14,15,891	1,77,76,614
	Closing stock of Scrap	-	-
	Sub-Total (B)	17,14,091	4,16,58,676
	Difference (A-B)	3,99,44,585	84,65,165
	Add: Increase/ (Decrease) in excise duty on stock	0	0
	Total in ₹	3,99,44,585	84,65,165

24. Employees Costs

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Salary & Wages and Other Benefit	1,50,79,001	1,53,34,794
2	Contribution to Provident and other Funds	15,85,039	10,08,389
3	Staff Welfare Expenses	88,411	1,55,278
	Total in ₹	1,67,52,451	1,64,98,461

25. Financial Costs

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Interest on Loan from Banks	43,04,166	91,74,089
2	Interest on Other loans	23,13,438	22,89,303
3	Bank & Processing Charges	3,22,413	11,09,518
	Total in ₹	69,40,017	1,25,72,910

26. Depreciation & Amortisation Cost

		₹	₹
Sr. No	Particulars	2017-18	2016-17
1	Depreciation	64,47,143	65,94,381
	Total in ₹	64,47,143	65,94,381

RATHI GRAPHIC TECHNOLOGIES LIMITED

Notes forming Integral Part of the Balance Sheet as at 31st, March 2018

27. Other Expenses

		₹	₹
Sr. No	Particulars	2017-18	2016-17
	Other Manufacturing Expenses		
1	Stores and Spares Consumed	2,38,855	3,26,057
2	Power & Fuel	1,43,40,658	1,44,35,019
3	Insurance	1,91,321	2,71,651
	Sub Total (a)	1,47,70,834	1,50,32,727
	Repair & Maintenance		
1	Plant & Machinery	4,73,307	10,35,258
2	Vehicles	5,28,510	2,17,254
3	Others	3,08,203	7,61,099
	Sub Total (b)	13,10,020	20,13,611
	Administrative Expenses		
1	Directors Salary	21,20,000	28,80,000
2	Telephone, Telegram & Postage Expenses	5,50,684	4,73,729
3	Travelling & Conveyance Expenses	12,28,386	13,31,829
4	Fees & Subscription	6,35,211	7,50,718
5	General Expenses	68,44,150	12,06,586
6	Legal & Professional Charges	5,85,413	7,62,883
7	Previous Year expenses	1,00,763	32,496
8	Service Tax Paid	5,242	33,533
9	Printing & Stationery Expenses	4,15,717	4,42,137
10	Rent, Rates & Taxes	7,45,649	7,58,060
11	Loss on Sales of Car /investment	1,37,060	2,54,971
11	Donation	6,09,702	1,77,502
12	Foreign currency fluctuation	-	4,80,903
13	Misc Balances written off	32,19,157	-
14	Interest on Taxes	1,89,772	21,99,475
15	Auditors's Remuneration		
	-Audit Fee	80,000	1,01,300
	-Tax Audit Fee	20,000	30,000
	Sub Total (c)	4,64,59,306	1,19,16,122
	Selling & Distribution Expenses		
1	Advertisement & Publicity Expenses	99,181	1,89,098
2	Sales promotion Expenses	13,20,632	9,54,572
3	Selling Expenses	12,19,534	9,11,374
4	Freight Outward	12,43,125	72,1800
	Sub Total (d)	38,82,472	27,76,844
	Total (a+b+c+d)	6,64,22,632	3,17,39,304

RATHI GRAPHIC TECHNOLOGIES LIMITED**CIN: L26960UP1991PLC013770****Consolidated Cash Flow Statement for the year ended 31st March, 2018**

Particulars	2017-18 ₹	2016-17 ₹
Cash Flow from Operating Activities		
Net Profit before taxation, and extraordinary items	(-7,33,01,374)	99,95,389
Adjustment for:		
Depreciation	64,47,143	65,94,381
Interest Income	(-1,38,284)	(-1,44,820)
Interest Paid	69,40,017	1,25,72,910
Other misc. income	(-18,000)	(-30,000)
Loss/(Profit) on sale of Fixed Assets	1,37,060	2,54,971
Operating Profit before working Capital changes	(-5,99,33,438)	2,92,42,831
(Increase)/Decrease in Trade Receivables	4,92,17,106	(-3,03,31,648)
(Increase)/Decrease in Inventories	4,55,15,851	1,81,61,740
Increase/(Decrease) in Trade Payables	(-3,58,19,616)	(-5,87,026)
Increase/(Decrease) in other long term liabilities	(-2,59,000)	1,80,000
Increase/(Decrease) in long term provisions	1,66,109	4,73,822
Increase/(Decrease) in other current liabilities	(-1,50,33,106)	43,76,500
Increase/(Decrease) in other short term provisions	1,72,325	1,03,63,339
(Increase)/Decrease in long term loans & advances	34,65,120	(-1,95,000)
(Increase)/Decrease in short term loans & advances	(-69,573)	(-3,29,258)
(Increase)/Decrease in other current assets	33,27,109	20,87,849
Cash generated from Operations	(-92,51,113)	3,34,43,149
Income Tax Paid	-	1,03,33,000
Cash Flow before extraordinary item	(-92,51,113)	2,31,10,149
Extraordinary items (specifying nature)	-	-
Net Cash from Operating Activities -A	(-92,51,113)	2,31,10,149
Cash Flow from Investing Activities		
Purchase of Tangible Fixed Assets	(-6,60,070)	(-10,58,901)
Sale of Long Term Investment	(-6,41,060)	4,61,45,710
Sale of Tangible Fixed Assets	(-1,37,060)	70,000
Interest Received	1,38,284	1,44,820
Other misc. Income	18,000	30,000
Net Cash from Investing Activities -B	(-12,81,906)	4,53,31,629
Cash Flow from Financing Activities		
Proceeds from issuance of Share Capital (Including Share Premium)	-	-
Proceeds from Long Term Borrowings	69,77,429	-5,82,37,485
Proceeds from Short Term Borrowings	88,90,838	11,62,670
Interest Paid	(-69,40,017)	(-1,25,72,910)
Net Cash used in Financing Activities-C	89,28,251	-6,96,47,725
Net increase in cash and Cash Equivalents (A+B+C)	(-16,04,768)	(-12,05,947)
Cash and Cash Equivalents at beginning of period (See Note 1)	25,11,973	37,17,920
Cash and Cash Equivalents at end of period (See Note 1)	9,07,205	25,11,973

The accompanying Notes 1 to 41 form an integral part of these financial statement.

In terms of our report of even date attached

For Shalin Poddar & Associates

Chartered Accountants

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Shiv Kumar
Chief Financial Officer

Place: New Delhi
Date: 03rd Sep. 2018

Notes on Consolidated Accounts

NOTE- 01

A: SIGNIFICANT ACCOUNTING POLICIES:

I. BASIS OF PREPARATION

The Consolidated Financial Statements are prepared in accordance with Accounting Standard - 23 on Consolidated Financial Statement issued by the Institute of Chartered Accountants of India.

II. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statement relate to M/s. Rathi Graphic Technologies Limited (Parent Company) and its associate namely, M/s. RGTL Industries Limited (Formerly Rathi Rajasthan Steel Mills Limited). The Financial Statements of the Company and that the M/s RGTL Industries Limited has been prepared in accordance with the Generally Accepted Accounting Practices (GAAP) applicable in India. This Financial Statement has been prepared by consolidation of the Financial Statement include the share of profit /loss of the associates companies which have been accounted for using equity method as per AS-23. Accordingly, the share of profit / loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investment.

III. PROPORTION OF INVESTMENT IN ASSOCIATE COMPANY INCLUDED IN CONSOLIDATION

S. No.	Name of the Associate Company	Country of Incorporation	Proportion of investment as on March 31, 2018
1	RGTL Industries Limited	India	49.18%

IV. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The accounts of the Company have been prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and comply with the mandatory accounting standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are presented in Indian rupees rounded off to nearest decimal.

V. USE OF ESTIMATES

The preparation of the Financial Statements in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial Statements, and the reported amount of revenue and expenses during the reported period. Actual result could differ from those estimates.

VI. TANGIBLE FIXED ASSETS AND DEPRECIATION

- Tangible Fixed Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation /amortization /impairment. The cost of fixed assets includes effect of exchange difference on long term foreign currency borrowings, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowings cost directly attributable to fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Interest on loans and other financial charges in respect of qualifying assets and expenditure incurred on start up and commissioning of the project and or substantial expansion, including the expenditure incurred on Trial Runs up to the date of commencement of commercial production are capitalized.
- Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act 2013, as per Straight Line Method (SLM).

VII. INVESTMENTS

Long term investments are stated at cost.

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investment is classified as long-term investments. However, that part of long-term investments which is expected to be realized within 12 months after reporting date is also presented under 'current assets as "current portion of long-term investments" in consonance with the current-non-current classification scheme as prescribed in Schedule III to the Companies Act, 2013.

Long- term investments are valued at cost. Any decline other than temporary, in the value of long-term investments, is adjusted in the carrying value of such investments.

Current investments are carried forward at lower of cost and fair value

Any reduction in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss. Profit or Loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed of, if any.

VIII. VALUATION OF INVENTORIES

Inventories are valued as per AS-2 (Valuation of Inventories) & relevant guidance note issued by the ICAI as under:

- a) Stocks of Raw Materials are valued at cost by adopting FIFO Method.
- b) Stock of Work in process is valued at cost of Raw Material and proportionate direct manufacturing expenses.
- c) Stock of stores, spares and packing material are valued at cost by adopting FIFO Method.
- d) Stocks of finished goods are valued at lower of cost or net realizable value. Cost includes raw material cost and appropriate share of manufacturing expenses and is inclusive of depreciation and excise duty paid / payable thereon.
- e) Bye-product, if any is valued at net realizable value.

IX. BORROWING COSTS

Borrowing costs attributable to acquisition, construction of qualifying assets are capitalized as part of cost of the relevant assets up to the date the asset is put to use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

X. FOREIGN CURRENCY TRANSACTIONS

Transactions for foreign currency are recorded at the exchange rate prevailing on the date of transaction. For the foreign currency transactions outstanding at the end of the year, the exchange rate differences are being recognized at year end. However, foreign currency transactions which are settled up to the date of balance sheet, the exchange fluctuation is therefore accounted for on actual basis.

XI. IMPAIRMENT OF ASSETS

In case of indication of impairment of the carrying amount of the Company's assets, an asset's recoverable amount is estimated. Impairment loss is recognized wherever the carrying amount of an asset

exceeds its recoverable amount.

Reversal of impairment Loss recognized in prior periods is recorded when there is an indication that the impairment loss recognized for the assets no longer exists or has decreased.

Post impairment depreciation is provided on the revised carrying value of the assets over its remaining useful life.

XII. Earnings per Share

Basic earnings per share are calculated by dividing the net profit/ (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding.

XIII. REVENUE RECOGNITION

- a) Sales are recognized on dispatch of goods to customers. Gross Sales represents invoiced value of goods sold, net of sales tax but inclusive of excise duty.
- b) Profit / Loss on sale of Fixed Assets are recognized in the year of sale.
- c) Interest is accounted on accrual basis.
- d) Dividend is accounted on receipt basis.

XIV. EMPLOYEE BENEFIT

a) Short-term employee benefits:

All employee benefit falling due within twelve months of the end of the period in which the employee render the related services are classified as short term employee benefits, which include benefits like salaries, wages etc. which are recognized as expenses in the period in which the employee renders the related service and measured accordingly.

b) Post-employment benefits:

Post employment benefit plans are classified into defined contribution plans and defined benefit plans in line with the requirements of old AS-15 on "Employee Benefit".

Gratuity and Leave Encashment

Gratuity and leave encashment which are defined benefits are recognized in the Statement of Profit and Loss based on actuarial valuation using projected unit credit method as at Balance Sheet date by an independent actuary.

Statement of the Gratuity & Leave encashment as at 31 March, 2018 is as follow:

		Gratuity (Non Funded)	Leave Encashment (Non-Fund- ed)	Gratuity (Non-Funded)	Leave Encashment (Non-Fund- ed)
		31.03.2018		31.03.2017	
I	Expense recognized in the Statement of Profit and Loss				
A	Current Service cost	3,58,938.00	1,06,992.00	3,59,911.00	99,823.00
b	Interest cost	2,51,926.00	55,822.00	2,03,245.00	56,764.00
c	Expected return on plan asset	-		-	
d	Net actuarial (gain)/loss recognized in the period	(1,54,847.00)	(89,172.00)	(22,424.00)	(1,73,029.00)
E	Expenses recognized in Statement of Profit and Loss	4,56,017.00	73,642.00	5,40,732.00	(16,442.00)
II	Net Assets/(Liabilities) Recognized in the Balance Sheet				
a	Present value of obligation as at the end of the period	35,48,563.00	7,60,819.00	32,50,662.00	7,20,286.00
b	Fair Value of plan asset as at the end of the period	-	-	-	-
c	Funded status	(35,48,563.00)	(7,60,819.00)	(32,50,662.00)	(7,20,286.00)
d	Net Assets/(Liabilities) recognized in the balance sheet	(35,48,563.00)	(7,60,819.00)	(32,50,662.00)	(7,20,286.00)
III	Change in present value of obligation				
a	Present value of obligation as at beginning of the period	32,50,662.00	7,20,286.00	27,09,930.00	7,56,857.00
b	Interest cost	2,51,926.00	55,822.00	2,03,245.00	56,764.00
c	Current Service cost	3,58,938.00	1,06,992.00	3,59,911.00	99,823.00
d	Benefits Paid(if any)	(1,58,116.00)	(33,109.00)	-	(20,129.00)
e	Actuarial (Gain)/Loss on obligation	(1,54,847.00)	(89,172.00)	(22,424.00)	(1,73,029.00)
f	Present value of obligation at the end of the period	35,48,563.00	7,60,819.00	32,50,662.00	7,20,286.00
IV	Changes in the fair value of plan assets				
a	Fair value of plan assets as at beginning of the period	-	-	-	-
b	Expected return on plan assets	-	-	-	-
c	Contributions	-	-	-	-
d	Benefits Paid	-	-	-	-
e	actuarial (Gain)/Loss on plan assets	-	-	-	-
f	Fair value of plan assets at the end of the period	-	-	-	-
V	The Major Category of Plan assets as a percentage to total plan				
	Mutual Funds/Govt.Securities/Bank	0%	-	0%	-
VI	Actuarial Assumptions				
	Economic Assumptions-				
	Discounting Rate	7.50%PA	7.75%PA	7.50%PA	7.50%PA
	Future Salary Increase	6.00% PA	6.00% PA	6.00% PA	6.00% PA
	Expected Rate of return on plan assets	0	0	0	0
	Demographic Assumptions-				
	Retirement Age	58	58	58	58
	Mortality Table	IALM	IALM	IALM	IALM
		(2006-08)	(2006-08)	(2006-08)	(2006-08)
	Withdrawal rate	5.00%pa	5.00%pa	5.00%pa	5.00%pa

OTHER NOTES ON ACCOUNTS

28. PROVISION FOR CURRENT AND DEFERRED TAX

In terms of old Accounting Standard "22" issued by The Institute of Chartered Accountants of India, in the absence of virtual certainty the Company has not recognized Deferred Tax Asset during the year. Henceforth Deferred Tax Asset has been carry forward as provided in the earlier year. The major components of Deferred Tax Liability and Deferred Tax assets are as under

Particulars	31.03.2018 (Rs.)	31.03.2017 (Rs.)
Depreciation as per Companies Act	-	65,94,381
Depreciation as per Income Tax Act	-	51,52,713
		14,41,668
Creation of Deferred Tax (Liabilities) /Assets (A)	-	4,76,659
Provision for Gratuity	-	5,40,732
Provision for Leave Encashment	-	-
		5,40,732
Creation of Deferred Tax Assets (B)	-	1,78,782
Net Deferred Tax (Liabilities)/Assets (A+B)	-	6,55,441
Closing Balance of Deferred Tax (Liabilities) /Assets (A+B) transfer to Balance Sheet	98,30,725	98,30,725

29. RELATED PARTY DISCLOSURES

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

a) Relationships

Particulars	Name of Related Parties
A. Associate Company	RGTL Industries Limited
B. Enterprises over which Key Management Personnel and/or relative who are able to exercise significant influence	Alpha Stocks & Fin services Pvt. Ltd Sh.Raj Kumar Rath (Managing Director) Shark Packaging (India) Pvt. Ltd.
C. Key Management Personnel	Sh.Raj Kumar Rath (Managing Director) Smt. Sushma Rath
D. Relatives of Key Management Personnel	Raj Kumar Rath (HUF) Smt. Sushila Rath Smt. Sushma Rath
E. Other entities	SMGK Agro Products Pvt. Limited

S.No.	Name of the Related Party	Relationship	Nature of Transaction	Debit Transactions	Credit Transactions	Balance as at Mar. 31, 2018	Balance as at Mar. 31, 2017
1	Shark Packaging (India) Pvt. Ltd	Promoter Company	Unsecured Loans	44,50,000	1,12,04,944	4,69,13,231 CR	4,01,58,287 CR
2	RGTL Industries Ltd	Associates	Unsecured Loans	95,36,642	1,26,07,987	33,25,544 CR	2,54,199 CR
3	Sh. Raj Kumar Rath	Managing Director	Remuneration	17,50,000	16,40,000	1,00,000 CR	2,10,000 CR
4	Sh. Raj Kumar Rath	Managing Director	Advance / Loan	2,21,83,000	2,86,58,881	3,81,04,921 CR	3,16,29,040 CR
5	Smt. Sushila Rath	Relative to Director	Rent/Security Deposit	-	3,26,700	952 DR	3,27,652 DR
6	Smt. Sushma Rath	Relative to Director	Advance / Loan	1,00,000	2,00,000	1,00,000 Cr	-
7	SMGK Agro Products Pvt. Limited	Other Entity	Advance / Loan	5,00,000	-	0.00	5,00,000 CR

30. (A) Value of Raw Material consumed:

(Rupees in Lacs)

Particulars	Imported				Indigenous			
	2017-18	%	2016-17	%	2017-18	%	2016-17	%
Materials	359.06	79.33%	794.58	96.94%	93.55	20.67%	25.13	3.06%
Packing Materials	0.00		0.00		31.89	100%	30.87	100%
Stores & Spares	0.00		0.00		2.38	100%	3.26	100%

(B) Value of Import during the year (CIF Basis)

(Rupees in Lacs)

Particulars	2017-18	2016-17
Raw Materials	316.70	694.48
Total	316.70	694.48

31. Payment to Auditor

(Rupees in Lacs)

Particulars	2017-18	2016-17
Statutory Audit Fees	0.80	1.01
Tax Audit Fees	0.20	0.30
Other Capacity	0.25	0.58
Total*	1.25	1.89

32. In the opinion of the Management, the current assets and loans & advances would realize at least the amount at which these are stated in the Balance Sheet. Subject to classification as mentioned in the Balance Sheet.

33. CONTINGENT LIABILITIES

Contingent Liabilities not provided for:

- I. Letter of Credit established in favour of the suppliers for raw materials Rs.Nil (Previous year Rs. 95,55,271/-).
- II. The Company has given corporate guarantee to banks/FI for credit facilities of Rs.142.59 Crores extended to M/s RGTL Industries Limited.
- III. While completing the Sales tax assessment for the A.Y 2015-16 demand of Rs. 31.88 Lac has been raised on account of non submitting of C forms. The Company is in the processing of collecting the forms from the customers and is confident to get the demand abolished. Hence provision if any will be made at the appropriate time.
- IV. While completing the block assessment, assessing officer has made additions of Rs. 2,04,90,000/- in A.Y 2010-11 and 7,50,00,000/-in A.Y 2013-14. Addition of A.Y 2010-11 has been adjusted against the carry forward losses to that extent and demand of Rs. 2,92,14,759/- has been made for the A.Y 2013-14. However the company has disputed the order and filed Appeal before the appellate authority. The company is quite confident to get the additions/ demand dismissed. Additional liability, if any, in respect of pending assessment / appeals , would be provided for on completion of assessment / disposal of appeals.

34. Necessary disclosures required under the Micro, Small and Medium Enterprises Development Act,2006, can only be considered once relevant information to identify the suppliers who are covered the said Act are received from such parties/suppliers.

35. Foreign currency exposures that are not hedged by derivatives instruments or otherwise is as follows:

S.No.	Particulars	Foreign Currency	As at 31 March 2018		As at 31 March 2017	
			Amount (USD)	Amount(Rs.)	Amount(USD)	Amount(Rs.)
1.	Trade Receivable	USD	-	-	7,93,925	5,14,76,985
2.	Trade Payable	USD	-	-	4,72,100	3,06,10,304

36. The Bank account of the company has been classified as NPA. Hence interest has been provided in the books of account to the extent accounted for by the bank. Bank has also initiated recovery action u/s 13(4) of SARFASI Act 2002. Company in taking all necessary steps to settle the bank / get the debt restructured.

37. Expenditure and Earning in Foreign Currency is Rs. Nil (Previous year Rs. Nil).

38. Additional information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidated & subsidiary.

Particulars	Net Assets i.e Total assets minus total liability		Share in Profit or Loss	
	As % of consolidated Net Assets	Amount (Rs. In lac)	As % of consolidated Profit or Loss	Amount (Rs. In lac)
Parent				
Rathi Graphic Technologies Ltd	409.09%	3535.19	(15.27)%	(732.39)
Associates	(309.09)%	(2671.02)	(84.73)%	(4062.64)
RGTL Industries Ltd				

39. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

Earning per Equity Shares	Current Year			Previous Year		
	No. of Shares	Profit after Tax / (Loss)	EPS	No of Shares	Profit after Tax	EPS
Basic	1,64,39,000	(47,95,03,709)	(4.46)	1,64,39,000	12,67,96,577	(7.71)
Diluted	1,64,39,000	(47,95,03,709)	(4.46)	1,64,39,000	12,67,96,577	(7.71)

40. Balance of debtors, creditors, loans and advances are subject to reconciliation and confirmation.
41. Previous year figures have been regrouped / rearranged wherever necessary, to correspond to current year figures.

As per our report of even date
For Shalin Poddar & Associates
Chartered Accountants

CA Shalin Poddar
(Partner)
Membership No. : 515616
Firm Reg. No.: 020397C

Raj Kumar Rathi
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Shiv Kumar
Chief Financial Officer

Place: New Delhi
Date: 03rd Sep. 2018

Form AOC-1
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

Statement containing salient features of the financial statement of
subsidiaries/associate companies/joint ventures

Part "A": Associate

(In Lakhs)

Sl. No.	Particulars	Details
1.	Name of the Associate	RGTL Industries Limited
2.	Reporting period for the Associate concerned, if different from the Parent company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign associates	NA
4.	Share capital	1852.67
5.	Reserves & surplus	2655.40
6.	Total assets	22617.05
7.	Total Liabilities	22617.05
8.	Investments	4.03
9.	Turnover	26053.53
10.	Profit before taxation	(8252.04)
11.	Provision for taxation	8.37
12.	Profit after taxation	(8260.41)
13.	Proposed Dividend	-
14.	% of shareholding	49.18%

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

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

For Rath Graphic Technologies Limited

Raj Kumar Rath
Managing Director
DIN-00009569

Anurag Yadav
Director
DIN-00087197

Shiv Kumar
Chief Financial Officer

Place: New Delhi
Date: 03/09/2018



RATHI GRAPHIC TECHNOLOGIES LIMITED

Regd. off: D-12A, Sector-9, New Vijay Nagar, Ghaziabad, U.P.-201009

Ph. & Fax No. 011-45002400 CIN: L26960UP1991PLC013770

E-mail Id: investor@rathitoner.com Website: www.rathitoner.com

ATTENDANCE SLIP

I/We hereby record my presence at the 25th Annual General Meeting held on Saturday, The 29th Day of September, 2018 at 10.00 A.M. at A-3, Industrial Area, South of G.T. Road, Ghaziabad (U.P.)-201009

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

No. of Shares Held _____

Regd. Folio No./DPID-CLID _____

Signature of the Shareholder/Proxy

Note:

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

RATHI GRAPHIC TECHNOLOGIES LIMITED

D-12A, Sector-9, New Vijay Nagar, Ghaziabad-201009, Uttar Pradesh

CIN: L26960UP1991PLC013770,

website: www.rathitoner.com , Email: investor@rathitoner.com

PROXY FORM

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

Folio/ DP-Client ID No. :

Name of the member(s) & Registered Address:

E-mail ID

I/We, being the Member (s) of.....Shares of Rathi Graphic Technologies Limited, hereby appoint:

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Saturday, The 29th Day of September, 2018 at 10.00 A.M. at A-3, Industrial Area, South of G.T. Road, Ghaziabad (U.P.)-201009 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	For	Against
1	To Consider, and adopt: (a) Audited Financial Statement, Report of the Board of Directors and (b) Audited Consolidated Financial Statement.		
2	To Ratify Statutory Auditor of Company and fixing their remunerations.		

Signed this _____ day of _____ 2018

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.