



# **RCI INDUSTRIES & TECHNOLOGIES LIMITED**

**24th ANNUAL REPORT  
(2014-2015)**



## **Board of Directors**

*Mr. Rajeev Gupta - Chairman & Managing Director*  
*Mrs. Mamta Gupta - Director*  
*Mr. Raj Jamwal – Director*  
*Mr. Anil kumar jain– Director*

## **Nomination & Remuneration Committee**

*Mr. Raj Jamwal – Chairman*  
*Mr. Anil kumar jain – Member*  
*Mrs Mamta Gupta - Member*

## **Audit Committee**

*Mr. Raj Jamwal – Chairman*  
*Mr. Anil kumar jain – Member*  
*Mr. Rajeev Gupta – Member*

## **Shareholder Grievance Committee**

*Mr. Raj Jamwal – Chairman*  
*Mr. Anil kumar jain – Member*  
*Mr. Rajeev Gupta – Member*

## **Independent Auditors**

*M/s. RPMD & Associates.*  
*Chartered Accountants*  
*AA-8, First Floor,*  
*Shalimar Bagh, Delhi – 110088*

## **Bankers**

*Union bank of India*  
*Oriental Bank of Commerce*  
*Jammu and Kashmir bank*



### **Key Managerial Personnel**

*Mr. Rajeev Gupta - Chairman & Managing Director*

*Mr. Abhishek Kedia – Company Secretary & Compliance Officer & Chief financial officer*

### **Share Transfer Agents**

*Bigshare Services Private Limited  
4E/8, 1st Floor, Jhandewalan Extn.  
New Delhi-110055*

### **Registered Office**

*B-97, All Heavens Building,  
Wazirpur Ring Road  
Delhi – 110052  
Email: [abhishek@rciind.com](mailto:abhishek@rciind.com), [info@rciind.com](mailto:info@rciind.com)  
Website: [www.rciind.com](http://www.rciind.com)*

### **Listed in Stock Exchanges**

*Bombay Stock Exchange, SME Platform, Mumbai*



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## **RCI INDUSTRIES & TECHNOLOGIES LIMITED**

(CIN : L74900DL1992PLC047055)

Registered Office: B-97, All Heavens Building, Wazirpur Ring Road, Delhi - 110052

Email: abhishek@rciind.com, Website: www.rciind.com

Phone: 011-27372194, Fax: 011-27371334

### **NOTICE**

**NOTICE** IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF **RCI INDUSTRIES & TECHNOLOGIES LIMITED** will be held at B-97, ALL HEAVENS BUILDING, WAZIRPUR RING ROAD, DELHI - 110052 on TUESDAY, 29th SEPTEMBER, 2015 at 10:00 a.m. to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone & Consolidated Financial Statements of the Company for the year ended 31st March, 2015 including audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To reappoint Mrs. MAMTA GUPTA as Director (holding DIN 00503302), who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of the Auditors of the Company and their remuneration fixed at the 23rd Annual General Meeting of the Company held on July 24, 2015, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT**, pursuant to the first proviso to Section 139(1) of the Companies Act, 2013, read with the first proviso to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/s. RPMD & Associates, Chartered Accountants (Firm Registration No. 005961C), as the auditors of the Company to hold office from the conclusion of the 23<sup>rd</sup> Annual General Meeting until the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company, on such remuneration as decided by the Board of Directors of the Company, made at the 23<sup>rd</sup> Annual General Meeting of the Company held on 24<sup>th</sup> July, 2014, be and is hereby ratified.”

**Date: 27/08/2015**

**Place: New Delhi**

***By order of the board***

**Sd/-**

**Abhishek Kedia**

**Company Secretary**

**M. No. A33537**



## IMPORTANT NOTES:

1. The company has fixed the record date of 28.08.2015 for determining the entitlement of shareholders to get Annual Report. The Annual closure of Register of Members and the Share Transfer books of the Company will be closed from 28.09.2015 to 30.09.2015 (both day inclusive).
2. Explanatory Statement pursuant to Clause 52 of the BSE SME Listing Agreement regarding appointment/reappointment of director is annexed to this notice.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. Details under Clause 52 of the BSE SME Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the



7. Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
8. Electronic copy of the Annual Report for 2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015 is being sent in the permitted mode.
9. **E-Voting is not being provided in this AGM as the MCA has exempted the companies listed on SME platform of BSE to provide such facilities in the General Meeting.**

All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 6.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

#### **EXPLANATORY STATEMENT AS PER CLAUSE 52 OF BSE SME LISTING AGREEMENT**

Name of the Director	Mrs. MAMTA GUPTA
DIN	00503302
Date of Birth	02.03.1968
Type of appointment	Liable to retire by rotation
Date of Appointment/ Re-appointment	24.01.2009
Areas of Specialization	Leadership, legal, regulatory, information security and compliance requirement of the industries
Qualifications	Graduate
No. of Shares Held in the Company	409090
Chairman/member of the Committee of the Board of Directors of this Company	Member- Nomination and remuneration committee
Chairman/member of the Committee of the Board of Directors of other Companies	Nil
Relation with Key Managerial Personnel and Directors	Wife of Mr. Rajeev Gupta
Justification for appointment	Director

**Date: 27/08/2015**  
**Place: New Delhi**

**By Order of the Board**  
**Sd/-**  
**Abhishek Kedia**  
**Company Secretary**  
**M. No. A33537**



## **DIRECTORS' REPORT**

TO THE MEMBERS OF RCI Industries & Technologies Limited

***Dear Shareholders,***

Your Directors are pleased to present their Annual Report on the working of the Company for the period from **1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015** with audited statements of accounts :-

### **FINANCIAL RESULTS**

The company's Financial performances during the year 2014-15 as compared to the previous year 2013-14 is summarized below:-

<b>Particulars</b>	<b>2015</b>	<b>2014</b>
Total Revenue	8,425,891,113	4,281,475,469
Total Profit before tax	30,574,092	21,233,063
Total Profit after tax	21,858,930	17,895,783

### **RESERVES & SURPLUS**

The Company's Reserve & Surplus in the year 2015 is 332,761,386 as compared to the previous year it was 319,760,469

### **Performance Review**

Your company achieved an all time high performance both in turnover and its profits. The Gross revenues touched Rs. 8,425,891,113 and the Profit after taxes recorded was Rs. 21,858,930. Your company coupled high level of modernization with, concentrated efforts of both Management and employees, the whole hearted support of Banks, suppliers and customers to attain these levels of performance. The earnings per equity share (of face value Re. 10) for the year decreased to Rs. 2.01 from Rs.2.22 from the previous year.





## **Dividend**

With a view to provide a cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review

## **Extract of annual return**

The extract of annual return as on March 31, 2015 in the prescribed Form no. MGT- 9, pursuant to section 92(3) of the Companies Act , 2013 and rule 12(1) of the companies (management and administration ) Rules ,2014 is attached herewith as Annexure – 1 and forms the part of this report.

## **Meetings of board of directors**

27 board meetings held during the year 2014-15.

## **Policy on director's appointment and policy on remuneration**

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached herewith as Annexure – 2 which forms part of this report

## **Comparison of remuneration of each KMP**

The difference of remuneration arises due to work experience.

## **Future Prospectus**

Despite stiff competition from other countries, international buyers show preference to your company's product for its quality and timely delivery and hence your Directors are confident of achieving better working results in the coming years.

## **Directors' Responsibility Statement**

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm and state that

a. That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;



- b. That they 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 and of the profit and loss of the Company for that period;
- c. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That they had prepared the annual accounts on a going concern basis;
- e. That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Corporate Social Responsibility**

Although the Corporate Social Responsibility is not applicable to the company but the company has incorporated a wholly owned subsidiary named RCI Skills & Social Development Private Limited on 29.09.2014 an initiative towards CSR. The company RCI Skills & Social Development Private Limited is now in the process of doing CSR activities.

### **Particulars of loans, guarantees or investments**

Pursuant to the provisions of section 186 of Companies Act, 2013 the particulars of loans, guarantees or investments is mentioned in notes no. 2.11 to the notes to account forming the part of annual report.

### **Declaration by Independent Directors**

Pursuant to the provisions of section 149 (6) of the Companies Act, 2013 **Mr. Raj Singh Jamwal and Mr. Anil Kumar Jain** (INDEPENDENT DIRECTORS OF THE COMPANY) has given the declaration as required under said Section.

### **Risk management policy**

Although the competition is hectic we have an edge over others with our quality and timely execution of orders. The more transit time due to geographical position and adverse movement of foreign exchange rate of the Rupee are major concerns for the growth of the industry. The fluctuation of Rupee against US Dollar, a trend noted during the last quarter of the year may affect the company's profitability in both short and long term. China, Europe, Japan along with the U.S. (the four largest economies in the world) will largely determine the direction of the



global economy through the rest of this year and into 2015. The good news is that the advanced economies overall will perform more strongly and contribute more to global growth in 2015.

### **Listing on Stock Exchanges**

Your Company's shares are listed on the Bombay Stock Exchange, SME Platform.

### **Corporate Governance**

As required by Clause 52 of the BSE SME Listing Agreement the Corporate Governance Report, Management Discussion and Analysis, and the Auditor's Certificate regarding compliance of conditions of Corporate Governance, form part of this Annual Report

### **Particulars of Employees**

There is no Employee in respect of whom information required under Companies Act, 2013 is required to be furnished in this report.

### **Conservation of Energy and Technology Absorption**

Provisions of the Companies Act, 2013 regarding Conservation of Energy and Technology Absorption do not apply to your Company.

### **Foreign Exchange Earnings & Outgo**

The Details of Foreign Exchange Earnings and Outgo during the financial year is mentioned in Notes No. 2.26 to 2.29 of Notes to accounts forming part of Annual report.

### **Deposits**

The Company has neither invited nor accepted any sum falling under the purview of the Companies Act, 2013

### **Buy Back of Securities**

The Company has not made any offer for buy back of its securities during the year under review.



## **Directors**

In accordance with the Companies Act, 2013, Mrs. Mamta Gupta retires by rotation and being eligible offers herself for reappointment.

Mr. Praveen Aggarwal resigned as an independent director of the company during the year and Mr. Anil Kumar Jain appointed as an independent director in his place.

## **Key Managerial Personnel**

During the period Mr. Abhishek Kedia has been appointed as CFO of the company.

## **Director's remuneration**

The Managing Director was paid remuneration of Rs. 12, 00,000 during the year as salary, and perquisites duly approved by shareholders in their meeting and further approved by nomination & remuneration committee of the company and Mrs. Mamta Gupta was not paid any remuneration during the year.

**It is thereby, affirmed that remuneration is as per remuneration policy of the company.**

## **Performance evaluation of the board, its committees and individual directors**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

A structured questionnaire has been prepared, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc.

Similarly, for evaluation of Individual Director's performance, the questionnaire covers various aspects like his/ her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc. Board members had submitted their response on a scale of 5 (excellent) – 1 (poor) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including Chairman of the Board. The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.



The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

### **Auditors and their report**

M/s RPMD & Associates Chartered Accountants, Independent Auditors of the Company was appointed by the shareholders in 23<sup>rd</sup> AGM on 24.07.2014 to hold the office from the conclusion of 23<sup>rd</sup> AGM to 28<sup>th</sup> AGM subject to rectification by shareholders in each AGM held thereafter. Hence the rectification of the appointment of M/s RPMD & Associates is needed to be done by shareholders in this AGM. The Auditors report is enclosed herewith along with all attachments.

### **Secretarial Auditors and their report**

The board has appointed M/s Kiran And Associates, as a practicing company secretary, to conduct secretarial audit for the financial year 2014-2015 pursuant to section 204 of the Companies Act, 2013. The secretarial audit report submitted by them in the prescribed form MR-3 is attached as Annexure -3 and forms part of this report.

There are no qualifications or observations or other remarks of the secretarial auditors in the report issued by them for the financial year 2014-2015.

### **Consolidated financial statements**

In compliance with the applicable provisions of Companies Act, 2013 including the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2014- 15 which includes the Financial Statement of Subsidiaries and Associates Companies.

Pursuant to Section 129(3) of the Companies Act, 2013 and Accounting Standard- 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the Financial Statements of its Subsidiaries.

The company has not consolidated the financial statement of 2 associates companies (Metalrod Limited and Ace Matrix Solutions Limited) as the AS -21 exempts the consolidation of financial statement of such associates because the investment in shares of associates was acquired as



stock in trade and the intention of such investment was to disposed off the same in near future and further Section 129 (3) of the Companies Act, 2013 read with first proviso to Rule 6 of Companies (Accounts) Rules, 2014 which stated that in case of a company covered under sub section (3) of section 129 which is not required to prepare consolidated financial statements under Accounting Standards, it shall be sufficient if the company complies with provision of Consolidated Financial Statements provided in Schedule III of the Act and the company has duly complied with provision of Schedule III of the Act by disclosing the name of associates not consolidated and reason thereof as mentioned above.

Further, a separate statement containing the salient features of the financial statements of subsidiaries/Associates of the Company in the prescribed form AOC-1 has been disclosed in the Consolidated Financial Statements. In terms of provisions of Section 136 of the Companies Act, 2013, the Company shall place separate audited accounts of the Subsidiary Companies on its website.

The Company will make available physical copies of these documents upon request by any shareholder of the Company/ subsidiary interested in obtaining the same.

These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing AGM.

### **Internal financial control system**

According to Section 134(5)(e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company 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.

The Company has a well placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies and Standard Operating Procedures (SOPs) and audit and compliance by in-house Internal Audit Division, supplemented by checks by Internal Auditors and various transaction auditors. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Audit Division and Internal Auditors to the Audit Committee of the Board.





## **Adequacy of internal financial controls with reference to the financial statements**

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal

Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

- The Company has a comprehensive risk management framework.
- Rci industries and technologies limited has in place a well-defined Whistle Blower Policy/Vigil Mechanism.
- Rci industries and technologies limited has a system of Internal Business Reviews. All departmental heads discuss their business issues and future plans in monthly review meetings. They review their achievements in quarterly review meetings. Specialized issues like investments, property, FOREX are discussed in their respective Internal Committee meetings.
- Compliance of secretarial functions is ensured by way of secretarial audit.

## **Composition of Audit Committee, Nomination and Remuneration Committee and Shareholders Grievance Committee & Establishment of Vigil Mechanism/Whistle Blower Policy**

The details of composition of all the committee and their meeting during the financial year and establishment of Vigil Mechanism are described in the Corporate Governance Report forming part of this Annual Report.

## **Related party transactions**

All transactions with related parties were in the ordinary course of business and at arm's length and duly approved by Audit Committee of the company. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

As required under Companies Act, 2013 the details of related party transactions are disclosed in prescribed form no. AOC – 2 which is attached herewith as Annexure – 4



## **Subsidiaries/Associates Company**

During the year RCI SKILLS AND SOCIAL DEVELOPMENT PVT. LTD. has been included as the wholly owned subsidiary of the company.

### **Change in capital structure and listing of shares**

The company shares are listed on Bombay stock exchange (BSE) and there is no change in the capital structure of the company.

### **Company affairs**

Kindly refer to Management Discussion & Analysis and Corporate Governance Report which forms part of this report

### **Carry forward to reserve**

The Balance of Profit & Loss Account has been transferred to reserve.

### **Obligation of company under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company is in process to adopt a policy for prevention of Sexual Harassment of Women at workplace in the current year and to set up Committee for implementation of said policy. Company has not received any complaint of harassment till date

### **Acknowledgement**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers. For and on behalf of the Board of Directors

**By Order of the Board of Directors  
For RCI Industries & Technologies Limited**

Sd/-

**Mr. Rajeev Gupta**

**Chairman & Managing Director**

**DIN 00503196**

**Date: 27/08/2015**





**Annexure 1**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31<sup>st</sup> March, 2015  
Of

**RCI INDUSTRIES AND TECHNOLOGIES LIMITED**

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

**I. REGISTRATION AND OTHER DETAILS:**

i) CIN L74900DL1992PLC047055

ii) Registration Date 07/01/1992

iii) Name of the Company :: RCI INDUSTRIES AND TECHNOLOGIES LIMITED

iv) Category / Sub-Category of the Company :: COMPANY LIMITED BY SHARES

v) Address of the Registered Office and contact details

B-97 , ALL HEAVENS BULIDING ,WAZIRPUR RING ROAD , DELHI-110052

vi) Whether listed company Yes

vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any

BIG SHARE SERVICES PRIVATE LIMITED  
E/2-3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri  
(East),,Mumbai,Maharashtra,400072 Phone: 022-4043 0200

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-



Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	COPPER & COPPER PRODUCT	27201	97%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. N	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of share held	Applicable Section
1.	RCI SKILLS AND SOCIAL DEVELOPMENT PRIVATE LIMITED  B-97 , ALL HEAVENS BULIDING ,WAZIRPUR RING ROAD , DELHI-110052	U85100DL2014PTC272102	SUBSIDIARY	100	2(87)
2.	RCI WORLD TRADE LINK DMCC DUBAI (U.A.E.)	N/A	SUBSIDIARY	100	2(87)
2.	ACE MATRIX SOLUTIONS LIMITED B-97 , ALL HEAVENS BULIDING	U74899DL2000PLC103256	ASSOCIATE	22	2(6)



	,WAZIRPUR RING ROAD , DELHI-110052				
3.	METALROD LIMITED B-97 , ALL HEAVENS BULIDING ,WAZIRPUR RING ROAD , DELHI-110052	U27106DL1974PLC007 235	ASSOCIATE	34.27	2(6)

## VI. 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				No. of Shares held at the end of the year %				% Cha duri the yea
	Demat	Phy sica l	Total	% of Total Share	Demat	Ph ysi cal	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
(a) Individual/HUF	4776465		477646	43.82	4776465		4776465	43.82	
(b) Central Govt	0		5	0	0		0	0	
(c) State Govt	0		0	0	0		0	0	
(s)	0		0	0	0		0	0	
(d) Bodies Corp.	3240150		0	29.73	3240150		3240150	29.73	
(e) Banks / FI	0		3240150	0	0		0	0	
(f) Any Other....	0		0	0	0		0	0	
<b>Sub-total (A)</b>	0		0	0	0		0	0	
<b>(1):-</b>	8016615		8016615	73.55	8016615		8016615	73.55	
(2) <b>Foreign</b>									
(a) NRIs - Individuals	0		0	0	0		0	0	
(b) Other – Individuals	0		0	0	0		0	0	
(c) Bodies Corp.	0		0	0	0		0	0	
(d) Banks / FI	0		0	0	0		0	0	



(e)Any Other....	0		0	0	0		0	0	
<b>Sub-total (A)(2):-</b>	0		0	0	0		0	0	
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0		0	0	0		0	0	
	8016615		8016615	73.55	8016615		8016615	73.55	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	0						0	0	
(b) Banks / FI	0						0	0	
(c) Central Govt	0						0	0	
(d)State Govt(s)	0						0	0	
(e) Venture Capital Funds	0						0	0	
(f) Insurance Companies	0						0	0	
(g) FIIs									
(h) Foreign Venture Capital Funds	0						0	0	
(i) Others (market makers)	93000						93000	.85	
<b>Sub-total (B)(1):-</b>	93000						93000	.85	
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	108000						108000	0.99	
(ii) Overseas	0						0	0	
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	261000	2800	263800	2.42	261000	2800	263800	2.42	
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2418000		2418000		22.19		2418000	22.19	
(c) Others (non resident)	0						0	0	



individuals)									
<b>Sub-total (B)(2):-</b>	2789800						2789800	25.60	
Total Public Shareholding (B)=(B)(1)+(B)(2)	2882800						2882800	26.45	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0						0	0	
<b>Grand Total (A+B+C)</b>	10899415						10899415	100	

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share holding 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.	Rajeev gupta	4364720	40.05		4364720	40.05		
2.	Mamta gupta	409090	3.75		409090	3.75		
3.	Metalrod limited	812500	7.45		812500	7.45		
4	Ace Trade Solutions Private Limited.	595750	5.47		595750	5.47		
5	Ritika gupta	2625	0.02		2625	0.02		



6	Hem bala gupta	30	0.00		30	0.00		
7	Kay kay exim (P) ltd.	50000	0.46		50000	0.46		
8	Blossom impex (P) Ltd.	30000	0.28		30000	0.28		
9	Ace matrix solutions ltd.	1751900	16.07		1751900	16.07		

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8016615	73.55	8016615	73.55
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	8016615	73.55	8016615	73.55

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year	Cumulative shareholding during the year
---------	-------------------------------------	---	---



		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	18,84,000	17.28	18,84,000	17.28
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	0	0	0	0
	At the End of the year ( or on the date of separation, if Separated during the year)	18,84,000	17.28	18,84000	17.28

Note: Change in shareholding of Market maker has not been considered.

**(v). Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year:	47,73,810	43.80	47,73,810	43.80



	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year:	47,73,810	43.80	47,73,810	43.80

#### V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
<b>short term</b>				
i) Principal Amount	260774905	179787	0	260954692
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>long term</b>				
i) Principal Amount	612584	0	0	612584
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but	0	0	0	0





not due				
<b>Total</b>	261387489	179787	0	261567276
<b>Change in Indebtedness during the financial year</b>				
<b>short term</b>				
• Addition	163643587	69745155	0	233388742
• Reduction				
<b>Long term</b>				
• Addition		316500000	0	316143749
• Reduction	356251			
<b>Net Change</b>	163287336	386245155	0	549532491
<b>Indebtedness at the end of the financial year</b>				
<b>short term</b>				
i) Principal Amount	424418492	69924942	0	494343434
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>long term</b>				
i) Principal Amount	256333	316500000	0	316756333
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total</b>	424674825	386424942	0	811099767



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTM/Manager				Total Amount
		<b>Rajeev Gupta MD</b>				
1.	Gross salary  (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under	<b>12,00,000</b>				<b>12,00,000</b>
2.	Stock Option					
3.	Sweat Equity					
4.	. Commission - as % of profit - others, specify...					
5.	Others, please specify					
	Total (A)	<b>12,00,000</b>				<b>12,00,000</b>
	Ceiling as per the Act	<b>Within the ceiling of 5% of net profit of the company</b>				



**B. Remuneration to other directors: NIL**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	Total (1)					
	2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration	12,00,000				12,00,000
	Overall Ceiling as per the Act	Within the ceiling of 11% of net profit of the company				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/ WTD**

Sl. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL		
		CEO	Company Secretary &	Total



			CFO	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		288000	288000
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	<b>Total</b>		<b>2,88,000</b>	<b>2,88,000</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT / COURT]	Appeal made, if any (give Details)
<b>A.COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					



Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

RCI INDUSTRIES & TECHNOLOGIES LIMITED



## **ANNEXURE-2**

### **1. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS (EXCLUDING INDEPENDENT DIRECTORS), KMP AND SENIOR MANAGEMENT**

#### **A. Preliminary**

Director's appointment is subject to the fulfillment of the following terms & conditions:

1. So long as they are Director of the Company, the number of companies in which they hold office as a Director or a chairman or committee member will not exceed the limit stipulated under the Act.
3. So long as they are Directors of the Company, they will ensure that they do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
4. They will ensure compliance with other provisions of the Act and the listing Agreement as applicable to them as a Director.

#### **B. Term / Tenure**

##### **Executive Director:**

The Company shall appoint or re-appoint any person as its Managing Director/WTD for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **Non Executive Directors:**

The Company shall appoint or re-appoint any person as its Non-Executive Director for a term as it may deem fit subject to their retirement and re-appointment as per the applicable provisions of the Act.

#### **C. Committees**

They will be appointed as chairman and/or member on the following Committees of the Board:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Shareholders Grievance Committee

#### **D. Code of Conduct**

They will abide by the Code of Conduct and Ethics Applicable to Directors as available on the website of the company.



### **E. Performance Evaluation**

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the Directors of the Company.

The Independent Directors shall take into consideration the following parameters for the purpose of evaluating the performance of Board of Directors. The evaluation scale is a simple two point scale i.e. SATISFACTORY OR UNSATISFACTORY.

Their reappointment or extension of term and their remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by Independent Directors on the basis of following specific issues and questions:

1. Attendance, participations in the Meetings and timely inputs on the minutes of the meetings.
2. Adherence to ethical standards & code of conduct of Company.
3. Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest.
4. Safeguarding of interest of whistle blowers under vigil mechanism and Safeguard of confidential information.
5. Violation of provisions of the Companies Act 1956 or 2013 by the Directors, if any.
6. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board.
7. Composition/Constitution of Board of Directors

Based on the above criteria Board has to be assessed by giving a rating of SATISFACTORY OR UNSATISFACTORY.

The process of evaluation shall be done by Independent Directors only. Assistance in the process will be provided by a person so authorized by the Board, and for this purpose the person will report to the Board

### **F. Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **G. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the



discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the

Company.

#### **H. Remuneration policy for Executive Directors (Whole-time/ Managing Director) and KMP:**

##### **a) Fixed pay:**

The Executive Directors and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

##### **b) Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

##### **c) Provisions for excess remuneration:**

If any Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Govern

#### **I. Remuneration to Non- Executive Directors (excluding Independent Director):**

##### **a) Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

##### **b) Sitting Fees:**

The Non- Executive Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac





per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

The Company aspires to pay performance linked remuneration to its Directors, Key Managerial Personnel and other employees. It will be ensured that the remuneration is determined in such a way there exists a fine balance between fixed and incentive pay. The Directors of the Company may also waive off their remuneration and sitting fees if they deem fit.

**2. POLICY FOR APPOINTMENT AND REMOVAL / FORMULATION OF TERMS & CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

The Committee has established the following independence review procedures and criteria to evaluate the independence of Directors.

**A. Preliminary**

Independent Director's appointment is subject to the following terms & conditions:

1. During their tenure as an Independent Director, they will have to submit a declaration at the beginning of every Financial Year under Section 149 (7) of the Companies Act, 2013("Act") stating that they meet the criteria of Independence.
2. So long as they are Independent Director of the Company, the number of companies in which they hold office as a Director or a chairman or committee member will not exceed the limit stipulated under the Act and the Listing Agreement.
3. So long as they are Independent Director of the Company, they will ensure that they do not get disqualified to act as a Director pursuant to the provisions of Section 164 of the Act.
4. They will ensure compliance with other provisions of the Act and the listing Agreement as applicable to them as an Independent Director.

**B. Term**

Their Appointment will be for a term of 5 years and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

**C. Committees**



They will be appointed as chairman and/or member on the following Committees of the Board:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Shareholders Grievance Committee

#### **D. Code of Conduct and Duties and Responsibilities**

1. They will abide by the Code of Conduct and Ethics Applicable to Non-Executive Directors as available on the website of the company and business principles to the extent applicable to an Independent Director of the Company as set out separately in Annexure-1.
2. They will abide by the guidelines of professional conduct, role, function and duties as an Independent Directors provided in Schedule IV of the Companies Act, 2013, as set out at Annexure-2 hereto.
3. They will not hold office as a Director or any other office in a competing firm/entity.
4. They are expected to stay updated on how best to discharge their roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.
5. They are expected to:
  - (i) take decisions objectively and solely in the interests of the Company;
  - (ii) facilitate Company's adherence to high standards of ethics and corporate behavior;
  - (iii) guide the Board in monitoring the effectiveness of the Company's governance practices and to recommend changes, required if any;
  - (iv) guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate assets and abuse in related party transactions
  - (v) guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards

#### **E. Performance Evaluation**

The Board of Directors shall take into consideration the following parameters for the purpose of evaluating the performance of Independent directors. The evaluation scale is a simple two point scale i.e. SATISFACTORY OR UNSATISFACTORY.

Their reappointment or extension of term and their remuneration will be recommended by the Nomination and Remuneration Committee of the Board, pursuant to a performance evaluation carried out by the Board on the basis of following specific issues and questions:

1. Attendance and Participation.
2. Pro-active and positive approach with regard to Board and Senior Management.
3. Maintaining confidentiality.



4. Acting in good faith and in the interest of the company as a whole.
5. Exercising duties with due diligence and reasonable care.
6. Complying with legislations and regulations in letter and spirit.
7. Openness to ideas, perspectives and opinions and ability to challenge old practices and throwing up new ideas for discussion.
8. Maintaining relationships of mutual trust and respect with Board members.
9. Capacity to effectively examine financial and other information on operations of the company and the ability to make positive contribution thereon.

The evaluation of Independent Directors shall be done by the Board.

Based on the above criteria Independent Directors has to be assessed by giving a rating of SATISFACTORY OR UNSATISFACTORY.

#### **F. Remuneration**

1. Their annual remuneration will be as under:
  - (a) sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time, and
  - (b) profit related commission, if any, determined by the Board and if approved by members will be payable at the end of each financial year based upon the performance of the Company and upon the performance of Independent Directors which will be evaluated by the Board of Directors.
2. They will be entitled to reimbursement of expenses incurred by them in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of pocket expenses.
3. Pursuant to applicable law, they will not be entitled to any stock options.

#### **G. Changes of personal details**

During the Term, They shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

#### **H. Miscellaneous**

1. They will have access to confidential information, whether or not the information is marked or designated as “confidential” or “proprietary”, relating to the Company and its business including legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, intellectual property rights (including trade secrets), (“Confidential Information”).

They shall use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information. If any Confidential Information is required to be disclosed by them in



response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

RCI INDUSTRIES & TECHNOLOGIES LIMITED



**Form No. MR-3**

**Annexure -3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2015

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2015

To,

The Members,

**RCI INDUSTRIES AND TECHNOLOGIES LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RCI Industries And 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 RCI Industries And Technologies Limited 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<sup>st</sup>March, 2015 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 RCI Industries And Technologies Limited("the company") for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;



- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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; **Not Applicable during this Audit Period**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **Not Applicable during this Audit Period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008- **Not Applicable during this Audit Period**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009- **Not Applicable during this Audit Period**
  - (h) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- **Not Applicable during this Audit Period**
- (vi) As per information provided by the management, the following laws as applicable specifically to the company :
  - (a) Income Tax Act, 1961;
  - (b) Custom Law, 1962;
  - (c) Central Excise Act,
  - (d) Applicable Sales Tax Act
  - (e) Environmental Protection Act, 1986

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 Bombay Stock Exchange.

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

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

**We further report that** during the audit period the company has the following specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. referred to above:

- (i) The Company had Incorporated a wholly owned subsidiary in India with the name of "RCI SKILLS AND SOCIAL DEVELOPMENT PRIVATE LIMITED" a subsidiary of the Company undertake to business to providing Vocational Training, Skills, and other social developments activities towards CSR.
- (ii) The company had pass a special resolution in EGM regarding the authorization to





board of directors to borrow upto Rs. 500 crores u/s 180(1)(c) of the companies Act, 2013.

Place: Ghaziabad

Date: 27<sup>th</sup> August, 2015

Sd/-  
KIRAN  
(Proprietor)  
**KIRAN & ASSOCIATES**  
(Company Secretaries)  
ACS No.37306  
C P No.14168

RCI INDUSTRIES & TECHNOLOGIES LIMITED





**Annexure - 4**

**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 transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

(a) Name(s) of the related party and nature of relationship:	Not applicable
(b) Nature of contracts/arrangements/transactions:	Not applicable
(c) Duration of the contracts / arrangements/transactions:	Not applicable
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Not applicable
(e) Justification for entering into such contracts or arrangements or transactions	Not applicable
(f) Date(s) of approval by the Board:	Not applicable
(g) Amount paid as advances, if any:	Not applicable
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	Not applicable

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

(a) Name(s) of the related party and nature of relationship:	As per Notes no. 2.30 of Notes to accounts forming part of Annual Report
(b) Nature of contracts/arrangements/transactions:	As per Notes no. 2.30 of Notes to accounts forming part of Annual Report



(c) Duration of the contracts / arrangements/transactions:	As per Notes no. 2.30 of Notes to accounts forming part of Annual Report
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	As per Notes no. 2.30 of Notes to accounts forming part of Annual Report
(e) Date(s) of approval by the Board, if any:	As per Notes no. 2.30 of Notes to accounts forming part of Annual Report
(f) Amount paid as advances, if any:	As per Notes no. 2.30 of Notes to accounts forming part of Annual Report

**By Order of the Board of Directors**  
**For RCI Industries & Technologies Limited**  
**Sd/-**  
**Mr. Rajeev Gupta**  
**Chairman & Managing Director**  
**DIN 00503196**



## **MANAGEMENT DISCUSSION AND ANALYSIS**

This report discusses and analyses the performance for the year ended 31st March 2015.

### **Overall review of operations**

The company is in the business of trading and exporting copper Metals. The Company achieved a turnover of Rs. 84258.91 lakhs. The operational profits have improved on account of optimizing all the operations of the company.

### **Industry**

The Metal industry plays a vital role in the economy of the country by contributing to GDP, generating employment and earning foreign exchange.

### **Opportunities and Threats**

Although the competition is hectic we have an edge over others with our quality and timely execution of orders. The more transit time due to geographical position and adverse movement of foreign exchange rate of the Rupee are major concerns for the growth of the industry. The fluctuation of Rupee against US Dollar, a trend noted during the last quarter of the year may affect the company's profitability in both short and long term. China, Europe, Japan along with the U.S. (the four largest economies in the world) will largely determine the direction of the global economy through the rest of this year and into 2015. The good news is that the advanced economies overall will perform more strongly and contribute more to global growth in 2015.

### **Outlook**

The company is taking all efforts to improve the quality of its products traded to get more orders at competitive rates. Due to bulk orders and bargain power company is able to quote better rates and maintain high quality & productivity of the products traded. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

### **Internal Control Systems and their Adequacy**

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by in house trained personnel.



The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system.

The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

## **Financial and Operational Performance**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Please refer Directors' Report in this respect

## **Human Resources/Industrial Relations**

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel.

## **Cautionary Statement**

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, govt. regulations, economic development within/outside country etc.

**By Order of the Board of Directors  
For RCI Industries & Technologies Limited**

**Sd/-**

**Mr. Rajeev Gupta**

**Chairman & Managing Director**

**DIN 00503196**

**Date: 27/08/2015**



## **CORPORATE GOVERNANCE REPORT**

### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organisation. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered at extremely competitive prices. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance teams, Auditors and the senior management. Our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity. Above all, we feel honoured to be integral to India's social development.

### **2. BOARD OF DIRECTORS**

Composition of the Board and category of Directors

Rajeev Gupta – Managing director  
Mamta Gupta -- Director  
Raj Singh Jamwal – Independent director  
Anil Kumar Jain – Independent director

Last Annual General Meeting was held on 24/07/2014

27 board meetings held during the year i.e. on 16.4.2014, 25.4.2014, 7.5.2014 22.5.2014 , 30.5.2014 , 9.6.2014 , 13.6.2014 , 23.6.2014 , 28.6.2014 , 15.7.2014 , 25.7.2014 , 1.8.2014 , 21.8.2014 , 18.9.2014 , 19.9.2014 , 6.10.2014 , 20.10.2014 , 6.11.2014 , 14.11.2014 , 11.12.2014 , 26.12.2014 , 20.1.2015 , 25.2.2015 , 11.3.2015 , 23.3.2015 , 30.3.2015 , 31.3.2015.



### **3. CODE OF CONDUCT**

The Board has adopted a code of conduct for all Board members and senior management of the company. The term senior management means personnel of the company who are members of its core management team excluding Board of Directors. Normally this would comprise all members of management one level below the executive directors, including all functional heads. The code has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them. Further, the company has recently adopted code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for regulating and reporting of trading by insiders. A declaration signed by the Chairman and Managing Director is given below.

I hereby confirm that: "The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2014-2015"

**Sd/-**

**Rajeev Gupta**

Chairman & Managing Director

### **4. CEO/CFO CERTIFICATION**

The Managing Director/CEO and CFO has certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under Clause 52 (V) of the Listing Agreement, for the year ended 31st March, 2014

### **5. AUDIT COMMITTEE**

Brief description of terms of reference: To oversee the company's financial reporting process, internal control systems, reviewing the accounting policies and practices, ensuring that financial statements are correct, sufficient and credible, reviewing with management the annual financial statements for submission to the Board, reviewing the internal audit observations and action taken thereon, ensuring compliance with Stock Exchange and other legal requirements and also recommending of the appointment and removal of independent auditors, fixation of audit fee and also approval for payment for any other services. The composition, role, functions and powers of the Audit Committee are in consonance with the requirements of applicable laws, rules and regulations Composition and names of members and chairperson:

Audit Committee was composed on 30.09.2013

Composition of the Committee and category of Directors



Mr. Raj Jamwal – Chairman  
Mr. Anil kumar jain – Member  
Mr. Rajeev Gupta – Member

During the year Mr. Anil Kumar Jain (Independent Director) was added as member of the committee after the resignation of Praveen Kumar Agarwal (erstwhile Independent Director and member of the committee).

The committee met Seven times during the year on ,24/04/2014,29/05/2014,30/06/2014, 25/08/2014, 06/10/2014,14/11/2014,21/01/2015,30/03/2015.

## **6. Nomination and Remuneration Committee**

This Committee was composed on 30.09.2013 and reconstituted as per the provision of Companies Act, 2013

Composition of the Committee and category of Directors

Mr. Raj Jamwal – Chairman  
Mr. Anil kumar jain – Member  
Mrs. Mamta Gupta - Member

During the year Mr. Anil Kumar Jain (Independent Director) was added as member of the committee after the resignation of Praveen Kumar Agarwal (erstwhile Independent Director and member of the committee).

The committee met six times during the year 31/05/2014, 25/08/2014, 06/10/2014, 15/10/2014, 21/01/2015, 20/02/2015 and reviewed the remuneration policy of the company.

## **7.DIRECTORS' REMUNERATION**

The Managing Director was paid remuneration of Rs. 12, 00,000 during the year as salary, and perquisites duly approved by shareholders in their meeting and further approved by remuneration committee of the company and none of the other directors was paid any remuneration.

## **8. Shareholders' / Investors' Grievances Committee:**

This Committee was composed on 30.09.2013





## Composition of the Committee and category of Directors

Mr. Raj Jamwal – Chairman  
Mr. Anil kumar jain – Member  
Mr. Rajeev Gupta – Member

During the year Mr. Anil Kumar Jain (Independent Director) was added as member of the committee after the resignation of Praveen Kumar Agarwal (erstwhile Independent Director and member of the committee).

The committee met on periodically and reviewed the status of the investor complaints.  
Number of complaints received and pending as on 31.03.2015- NIL

## Name and Designation of the Compliance Officer

Mr. Abhishek Kedia – Company Secretary and Compliance Officer  
Email: abhishek@rciind.com

## 9. General Body Meetings

(i) The Annual General Meetings for the last three years were held as follows:

Year	Venue	Date	Day	Time
2014-2015	B-97, Wazirpur Industrial Area, Delhi 11052	24.07.2014	Wednesday	11:00AM
2013-2014	B-97, Wazirpur Industrial Area, Delhi 11052	30.09.2013	Monday	01.00PM
2012-2013	B-97, Wazirpur Industrial Area, Delhi 11052	29.09.2012	Saturday	01.00PM

(ii) The following Extraordinary General Meeting was held during the Financial Year 2014-15

Year	Venue	Date	Day	Time
2014-15	B-97, Wazirpur Industrial Area, Delhi 11052	30.03.2015	Monday	10.00AM

\* Whether any Special Resolution passed in the previous 3 AGMs; No  
Whether any Special Resolution passed in the EGM – Yes , Special resolution under Section 180(1)(c) and 180(1)(a) were passed at the EGM held on 30.03.2015





- \* Whether special resolutions were passed through postal ballots: No
- \* Are votes proposed to be conducted through postal ballots this year: NIL

## **10. Disclosures:**

### **1. Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large:**

All transactions with related parties were in the ordinary course of business and at arm's length and duly approved by Audit Committee of the company. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

The details of related party transactions are disclosed in Note No. 2.30 attached to and forming part of the accounts.

### **2. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

None

### **3. Compliance with Accounting Standards**

In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

### **4. Compliance Certificate from the auditors**

Certificate from the auditors of the company confirming compliance with the mandatory requirements under clause 52 of the BSE SME listing agreement is annexed to this report. This certificate has also been forwarded to the Stock Exchanges where the shares of company are listed.

### **5. Adoption of non mandatory requirements under clause 52**

The company complies with the following non-mandatory requirements under clause 52



### **(a) Remuneration Committee**

The Board has constituted a remuneration committee consisting of three directors all of whom are non executive directors, the chairman of the committee being an Independent Director. The remuneration committee recommends/reviews remuneration of the Directors

### **(b) Whistle blower policy/Vigil Mechanism**

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons. The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

## **6. Means of Communication**

Whether Half yearly reports sent to each household of shareholders:

Although half yearly report is not sent to each household of shareholders, the company publishes the same on its website.

## **11. General Shareholder Information:**

1. Annual General Meeting Date : 29<sup>th</sup> September, 2015 at 10 A.M.  
Venue : B-97, All Heavens Building, Wazirpur Industrial Area, Delhi - 110052
2. Financial Year : April 2014 to March 2015
3. Dividend recommended for the year : NIL
4. Record Date: 28<sup>th</sup> August 2015, Book Closure Date: 28 September, 2015 to 30 September 2015 (both day inclusive)
5. Listing on stock exchange : Bombay Stock Exchange- SME Platform, Mumbai
6. Market price Data (Face value of Re 10) (BSE) : High Rs. 125, Low Rs 39
7. Performance in comparison to broad-based indices: NA
8. Share transfer system: During the year the share transfers which were received in physical form and for which documents were valid and complete in all respects, were processed and the share certificates were returned within the prescribed time from the date of receipt.
9. Distribution of shareholding:  
The shareholding pattern as on 31st March 2015 is as follows.
  1. Promoters – 80,16,615 Shares - 73.55%
  2. Private Body Corporate, Indian Public, and others – 28, 82,800 shares - 26.45%

**TOTAL 10899415 - 100.00%**



10. Dematerialisation of shares and liquidity: The company has executed agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialisation of shares

11. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity: NIL

12. Address for correspondence: B-97, All Heavens Building, Wazirpur Industrial Area, Delhi 110052

13. Registrar and Share Transfer Agents: M/s. Big Share Services Private Limited  
E/2-3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri  
(East), Mumbai, Maharashtra, 400072 Phone: 022-4043 0200

14. The company has paid the Listing fees for the financial year 2015-16

**On Behalf of Board of Directors**

**Sd/-**

**Mr. Rajeev Gupta**

**Chairman & Managing Director**

**DIN 00503196**

**Date: 27/08/2015**



## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of RCI INDUSTRIES & TECHNOLOGIES LIMITED

1. We have examined the compliance of conditions of Corporate Governance by RCI Industries & Technologies Limited for the year ended 31st March, 2015 as stipulated in Clause 52 of the BSE SME Listing Agreement of the said Company with the Bombay Stock Exchange
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 52 of the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For RPMD & Associates**  
**Chartered Accountants**  
**Firm Regn. No. 005961C**  
**Sd/-**  
**CA. Rahul Jain**  
**Partner**  
**Date: 27.08.2015**  
**Membership No. 518352**

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
**RCI INDUSTRIES & TECHNOLOGIES LIMITED**  
Delhi.

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **RCI INDUSTRIES AND TECHNOLOGIES LIMITED** having their registered office at B-97, Wazirpur industrial Area, Delhi -110052 which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act"), with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the companies (Accounts) Rule, 2014. This responsibility also includes maintenance of proper accounting records, in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent and design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan



and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2015;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by the section 143(3) of the Act, we report that:-
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statement comply with the Accounting standards specified under Section 133 of the Act, Rule 7 of the Companies (Accounts) Rule, 2014;
- e) On the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to the best of our information and according to the explanation given to us:
  - a. The company does not have any pending litigations which would impact its financial position materially.
  - b. The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

**For RPMD & Associates**  
**Chartered Accountants**  
Firm's registration number: 005961C

**(Rahul Jain)**  
Partner  
Membership number: 518352  
Place: Delhi  
Date: 26-05-2015

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**Annexure to Auditor's Report**

Referred to in our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

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On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

2. In respect of its inventories:

- a) As explained to us, the inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and on the basis of our examination of the records, the Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.



### Annexure to Auditor's Report

Referred to in our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

3. In respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
  - a) The receipt of the principal amount or interest is regular.
  - b) There is no overdue amount which has not been received.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 4 of the Order are not applicable to the Company.
6. Maintenance of cost records has not been prescribed for the Company by the Central Government under sub section (1) of section 148 of the Act.
7. In respect of statutory dues:
  - a) According to the records of the Company produced before us and as per the information and explanation given to us, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Income Tax and other statutory dues.
  - b) According to the records of the Company, following are the dues of income tax, which have not been deposited on account of dispute:

S.No.	Particulars	Asst Year	Sections	Amount (Rs.)
1	Income Tax	2007-08	-	1,980
2	Income Tax	2009-10	143(3)	52,810
3	Income Tax	2009-10	271(1)(c)	1,03,818
4	Income Tax	2009-10	115WE	3,519
5	Income Tax	2010-11	143(1a)	74,370
6	Income Tax	2011-12	220(2)	191,388
7	Income Tax	2010-11	143(1a)	21330

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**Annexure to Auditor's Report**

Referred to in our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31<sup>st</sup> March, 2015.

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- c) According to the records of the Company, no amount was required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder
8. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
9. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
10. According to the records of the Company produced before us and as per the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
11. The Company has not raised any new term loans during the year
12. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

**For RPMD & Associates**  
**Chartered Accountants**  
Firm's registration no. 005961C

Sd/-

**(Rahul Jain)**  
Partner  
M No. 518352

Place: Delhi  
Date: May 26, 2015

**RCI INDUSTRIES & TECHNOLOGIES LTD**  
**BALANCE SHEET AS AT 31ST MARCH, 2015**

PARTICULARS	Note	As at 31 March 2015	As at 31 March 2014
		Rs.	Rs.
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
Capital Account	2.1	108,994,150	108,994,150
Reserves and surplus	2.2	332,761,386	319,760,469
<b>Non-Current Liabilities</b>			
Long-term borrowings	2.3	316,756,333	612,584
Deferred tax liabilities (net)	2.4	83,819	816,051
Long term provisions	2.5	695,932	207,926
<b>Current liabilities</b>			
Short-term borrowings	2.6	494,343,434	260,954,692
Trade payables	2.7	1,158,603,752	309,537,162
Other current liabilities	2.8	247,816,109	91,941,478
Short term provisions	2.9	9,447,395	3,608,891
		<b>2,669,502,310</b>	<b>1,096,433,403</b>
<b><u>ASSETS</u></b>			
<b>Non current assets</b>			
Fixed assets			
- Tangible assets	2.10	26,183,359	11,371,944
Non Current investments	2.11	1,994,065	201,094,255
Long term loans and advances	2.12	15,528,887	6,985,011
<b>Current assets</b>			
Inventories	2.13	608,698,001	160,303,291
Trade receivables	2.14	1,603,207,960	552,455,905
Cash and cash equivalents	2.15	60,804,403	31,167,150
Short term loan and advances	2.16	344,054,653	130,673,649
Other current assets	2.17	9,030,981	2,382,198
		<b>2,669,502,310</b>	<b>1,096,433,403</b>

Significant Accounting Policies

1

Notes on Financial Statements

2

As per our report of even date

For & on behalf of Board of Directors

For RPMD & Associates

Chartered Accountants

Firm's registration no. 005961C

(Rajeev Gupta)

Managing  
Director

DIN- 00503196

(Mamta Gupta)

Director

DIN- 00503302

(Rahul Jain)

Partner

M No. 518352

Delhi

May 26, 2015

(Abhishek Kedia)

Company Secretary & CFO

M No. A33537



**RCI INDUSTRIES & TECHNOLOGIES LTD**  
**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015**

PARTICULARS	Note	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rs.	Rs.
<b>Revenue</b>			
Revenue from operations	2.18	8,420,604,476	4,277,893,151
Other income	2.19	5,286,637	3,582,318
<b>Total Revenue</b>		<b>8,425,891,113</b>	<b>4,281,475,469</b>
<b>Expenses</b>			
Cost of materials consumed	2.20	3,482,624,045	-
Purchases of stock-in trade		4,627,828,539	4,069,141,552
Change in inventory of finished goods/ WIP/ Stock in trade	2.21	(60,739,777)	13,723,551
Employee benefits expense	2.22	8,463,421	4,078,009
Finance costs	2.23	79,715,438	39,877,104
Depreciation and amortization expense	2.10	6,268,649	2,248,557
Other Expenses	2.24	251,156,706	131,173,634
<b>Total expenses</b>		<b>8,395,317,021</b>	<b>4,260,242,407</b>
<b>Exceptional items</b>		-	-
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>30,574,092</b>	<b>21,233,063</b>
<b>Less: Tax expense</b>			
Current tax		9,447,395	3,608,891
Deferred Tax	2.4	(732,232)	(271,611)
Minimum alternate tax		-	-
<b>Profit/(Loss) for the period</b>		<b>21,858,930</b>	<b>17,895,783</b>
<b>Earning per equity share</b>			
Basic/Diluted	2.25	2.01	2.22

Significant Accounting Policies

1

Notes on Financial Statements

2

As per our report of even date

For & on behalf of Board of Directors

For **RPMD & Associates**

**Chartered Accountants**

Firm's registration no. 005961C

(Rajeev Gupta)

Managing

Director

DIN- 00503196

(Mamta Gupta)

Director

DIN- 00503302

(Rahul Jain)

Partner

M No. 518352

Delhi

May 26, 2015

(Abhishek Kedia)

Company Secretary & CFO

M No. A33537

**RCI INDUSTRIES & TECHNOLOGIES LIMITED**  
Cash Flow Statement for the year ended 31st March, 2015

Particulars	For The Year Ended March 31,2015	For The Year Ended March 31,2014
<b>A. Cash flow from Operating activities</b>		
Profit/ (Loss) before tax	30,574,092	21,233,063
Adjustments for:		
Depreciation	6,268,649	2,248,557
Interest Expense	79,715,438	39,877,104
Provision for Doubtful Debt	-	-
Adj to profit & loss account	(8,858,013)	-
<b>Operating profit before working capital changes</b>	<b>107,700,166</b>	<b>63,358,724</b>
Movements in working capital :		
(Increase)/ Decrease in Inventories	(448,394,711)	13,723,551
(Increase)/Decrease in Trade Receivables	(1,050,752,055)	(191,080,676)
(Increase)/Decrease in Other Receivables	(221,924,880)	(7,581,354)
Increase/(Decrease) in Trade Payables and Other Liabilities	1,010,535,498	86,563,562
(Increase)/Decrease in Other assets	(6,648,784)	(1,065,633)
Cash generated from operations	(609,484,764)	(36,081,826)
Income tax Refund/ (paid) during the year	(8,715,162)	(3,337,280)
<b>Net cash from operating activities (A)</b>	<b>(618,199,927)</b>	<b>(39,419,106)</b>
<b>B. Cash flow from Investing activities</b>		
Purchase of Fixed assets (including capital advances)	(21,080,064)	(872,782)
(Purchase)/Sale Of Long Term Investment	199,100,190	(88,442,809)
Sale of Fixed Assets	-	187,000
<b>Net cash from investing activities (B)</b>	<b>178,020,126</b>	<b>(89,128,591)</b>
<b>C. Cash flow from Financing activities</b>		
Proceeds from issue of share capital/ application money	-	158,163,822
Interest paid on borrowings	(79,715,438)	(39,877,104)
Proceeds/(Repayment) of Short Term Loans	233,388,743	17,319,038
Proceeds/(Repayment) of Long Term Loans	316,143,749	(305,554)
<b>Net cash from financing activities (C)</b>	<b>469,817,053</b>	<b>135,300,202</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>29,637,253</b>	<b>6,752,505</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>31,167,150</b>	<b>24,414,646</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>60,804,403</b>	<b>31,167,150</b>

As per our report of even date

For RPMD & Associates  
Chartered Accountants  
Firm's registration no. 005961C

(Rahul Jain)  
Partner  
M No. 518352  
Delhi  
May 26, 2015

For & on behalf of Board of Directors

(Rajeev Gupta)  
Managing  
Director  
DIN- 00503196

(Mamta Gupta)  
Director  
DIN- 00503302

(Abhishek Kedia)  
Company Secretary & CFO  
M No. A33537

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**RCI INDUSTRIES AND TECHNOLOGIES LIMITED**  
**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

**A. Nature of Business**

The Company is into Trading and Manufacturing business.

**B. Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention on a going concern and accrual basis and comply in all material respects with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

**C. Use of Estimates**

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

**D. Fixed Assets.**

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, attributable to the fixed assets are capitalized. All up-gradation expenditure/ enhancements are charged against revenue unless they bring similar significant additional benefits. Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any.

Depreciation on Fixed Assets is provided on written down value method as per rates specified in schedule II to the Companies Act, 2013.



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**RCI INDUSTRIES AND TECHNOLOGIES LIMITED**  
**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

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**E. Investments**

Long Term Investments are stated at cost.

**F. Inventories**

Stock in trade consists of Metals etc. Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any.

**G. Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

All expenses and income to the extent considered payable and receivable respectively unless specifically stated otherwise are accounted for on mercantile basis.

**H. Expenditure**

Expenditures are account for on accrual basis and provisions are made for all known liabilities and losses.

**I. Foreign Currency Transactions**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transactions or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the yearend are restated at year end rates.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

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**RCI INDUSTRIES AND TECHNOLOGIES LIMITED**  
**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS**

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**J. Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The company has made provision for timing differences arising out of the difference in depreciation as per Income Tax Act and Companies Act.

**K. Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made.

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.



The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

## 2.1 SHARE CAPITAL

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Authorised</b> 150,00,000 shares of Rs.10 each (PY 150,00,000 shares of Rs. 10 each)	150,000,000	150,000,000
	<b>150,000,000</b>	<b>150,000,000</b>
<b>Issued, Subscribed &amp; fully paid up</b> 1,08,99,415 shares of Rs.10 each (PY 1,08,99,415 shares of Rs.10 each )	108,994,150	108,994,150
	<b>108,994,150</b>	<b>108,994,150</b>

### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

#### Equity shares

	31 March 2015	
	Number	(Rs.)
At the beginning of the year	10,899,415	108,994,150
Issued during the year for consideration in cash	-	-
Outstanding at the end of the year	<b>10,899,415</b>	<b>108,994,150</b>

#### Equity shares

	31 March 2014	
	Number	(Rs.)
At the beginning of the year	6,606,915	66,069,150
Issued during the year for consideration in cash	4,292,500	42,925,000
Outstanding at the end of the year	<b>10,899,415</b>	<b>108,994,150</b>

### b. Terms/ rights attached to equity shares

1. The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
2. The company has not declared or paid any dividend to the shareholder at any time since inception of the company
3. During the year 2013-14, the company has allotted 28,80,000 @ Rs. 40 per share including premium of Rs. 30 per share to public via IPO and the company is listed on BSE SME platform.

The details of shareholder holding more than 5% equity shares is set below:

Name of Shareholders	As at 31 March 2015	As at 31 March 2014
	No. of Shares held (%)	No. of Shares held (%)
Ace Matrix Solutions Ltd.	1751900 (16.07)	1751900 (16.07)
Ace Trade Solutions Pvt Ltd	595750 (5.47)	595750 (5.47)
Kamlesh Shantilalji Jain	606000 (5.56)	606000 (5.56)
Metalrod Ltd.	812500 (7.45)	812500 (7.45)
Rajeev Gupta	4364720 (40.05)	4364720 (40.05)

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

## 2.2 RESERVE AND SURPLUS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Securities Premium Account</b>		
Opening Balance	218,786,395	94,359,350
Add: Amount received towards issues of shares during the year	-	128,775,000
Less: Amount utilised towards public issue expenses	-	(4,347,955)
Closing Balance	218,786,395	218,786,395
<b>Surplus balance in the statement of profit and loss</b>		
Opening Balance	100,974,074	92,266,514
Add: Profit/(Loss) for the year	21,858,930	17,895,783
Less: Excess Provision of Income Tax/ Income W/Off and TDS	(8,576,498)	(9,188,223)
Receivable of Previous years		
Less: Listing Expenses W/off	(108,843)	-
Less: Dep W/off pursuant to change in useful life	(172,673)	
Closing Balance	113,974,991	100,974,074
	<b>332,761,386</b>	<b>319,760,469</b>

## 2.3 LONG TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>SECURED</b>		
ICICI Bank Car Loan	256,333	612,584
<b>UNSECURED</b>		
Intercompany Deposits	316,500,000	-
	<b>316,756,333</b>	<b>612,584</b>

### 2.3.1 ICICI Bank Car Loan

- The loan is taken from ICICI Bank carrying an interest rate of 11.08% per annum and is secured against leased assets
- Principal repayment of Rs. 3.41 lakhs due within next 12 months has been shown as Other Current Liabilities

## 2.4 DEFERRED TAX LIABILITIES

Particulars	As at 1 April' 2014	During the year	As at 31 March, 2015
<b>DTL</b>			
Depreciation	816,051	(732,232)	83,819
<b>Net DTL</b>	<b>816,051</b>	<b>(732,232)</b>	<b>83,819</b>

## 2.5 LONG TERM PROVISIONS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Provision for Employee Benefits</b>		
Gratuity	695,932	207,926
	<b>695,932</b>	<b>207,926</b>

**a) Gratuity**

Change in present value of obligation

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Present value of obligation as at the beginning of the year	207,926	144,373
Interest cost	17,674	11,550
Current service cost	218,034	67,372
Benefits paid	-	-
Actuarial (gain)/loss on obligation	252,298	(15,369)
Present value of obligation as at the end of year *	695,932	207,926

Actuarial gain / loss recognized

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Actuarial gain/(loss) for the year -obligation	(252,298)	15,369
Actuarial (gain)/loss for the year plan assets	-	-
Total (gain)/loss for the year	252,298	(15,369)
Actuarial (gain) / loss recognized in the year	252,298	(15,369)
Unrecognized actuarial (gains) losses at the end of year	-	-

The amounts to be recognized in balance sheet and related analysis

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Present value of obligation as at the end of the year	695,932	207,926
Fair value of plan assets as at the end of the year	-	-
Funded status / Difference	(695,932)	(207,926)
Net asset/(liability) recognized in balance sheet	(695,932)	(207,926)

Expense recognized in the statement of profit and loss

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Current service cost	218,034	67,372
Interest cost	17,674	11,550
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the year	252,298	(15,369)
Expenses recognized in the statement of profit and losses	488,006	63,553



For determination of the gratuity liability of the Company, the following actuarial assumptions were used:

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Discount rate	8.50%	8.00%
Future salary increase rate	10.00%	10.00%
Retirement age (years)	60	60

## 2.6 SHORT TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Secured</b>		
Working Capital Loans		
Rupee Loans from Banks		
- Jammu and Kashmir Bank Ltd	9,809,311	9,153,791
- Union Bank of India	213,372,340	-
- Oriental Bank of Commerce	44,049,975	-
- Yes Bank Ltd	-	79,422,115
Foreign Currency Loans		
- Buyers Credit from J & K Bank	46,921,477	62,781,004
- Buyers Credit from Union Bank of India	33,271,957	-
- Buyers Credit from OBC	43,246,060	-
- Buyers Credit - Yes Bank	-	109,417,994
Acceptances - I.C- Oriental Bank of Commerce	33,747,372	-
<b>Unsecured</b>		
Supplier Credit - Sesa Sterlite Ltd (Axis Bank)	68,970,443	-
Loans and advances from related parties	954,499	179,787
	<b>494,343,434</b>	<b>260,954,692</b>

### 2.6.1 Secured loans from banks

- Working Capital Loans are secured by hypothecation of present and future inventories, outstandings and receivables

## 2.7 TRADE PAYABLES

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Trade Payables	1,158,603,752	309,537,162
	<b>1,158,603,752</b>	<b>309,537,162</b>

## 2.8 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Advances from Customers	19,853,649	89,386,652
CST Security against C Form	11,076,051	-
Current maturities of long term debt	357,504	305,554
Due to directors	598,448	1,086,906
Expenses Payables	203,021,381	783,162
Payable towards purchase of fixed assets	280,298	-
Security Deposits	-	60,000
Statutory Liabilities	12,628,778	319,203
	<b>247,816,109</b>	<b>91,941,478</b>

## 2.9 SHORT-TERM PROVISIONS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Provision for Income Tax	9,447,395	3,608,891
	<b>9,447,395</b>	<b>3,608,891</b>

## 2.11 NON CURRENT INVESTMENTS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Other non-current Investments		
Investment in Wholly Owned Subsidiaries		
Investment in Equity share of RCI Skills & Development Pvt Ltd	100,000	-
Investment in Equity share of RCI World Trade Link DMCC, Dubai	831,500	831,500
Loans to RCI World Trade Link DMCC, Dubai	806,805	976,125
Loans to RCI Skills & Development Pvt Ltd	255,760	-
Investment in Partnership Firm - Satya Metals	-	199,286,630
	<b>1,994,065</b>	<b>201,094,255</b>

## 2.12 LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Unsecured, considered good		
Capital Advances	-	500,000
Loan and advances to related parties	142,412	-
Other loans and advances	8,026,964	-
Security Deposits	7,359,511	6,485,011
	<b>15,528,887</b>	<b>6,985,011</b>

2.13: INVENTORIES

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Raw Material	84,868,980	-
Work in progress	-	-
Finished Goods	23,630,898	-
Stock in trade	477,605,456	160,303,291
Stock on Consignment	22,592,667	-
	<b>608,698,001</b>	<b>160,303,291</b>

2.14: TRADE RECEIVABLES

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Unsecured, considered good		
Debits outstanding for period for less than six months	1,554,510,784	497,076,392
Debits outstanding for period for more than six months	48,697,176	55,379,513
	<b>1,603,207,960</b>	<b>552,455,905</b>

2.15: CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Cash on hand	2,419,470	1,205,287
Balance with Banks in Current A/c	12,748,431	690,559
Balance with Banks in FDRs with original maturity of less than 12 months		
Margin Money in the form of Deposits	45,636,501	29,271,304
	<b>60,804,403</b>	<b>31,167,150</b>

2.16: SHORT TERM LOAN AND ADVANCES

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Advances to Suppliers	27,403,995	31,940,056
Balance with Government Authorities	307,722,122	80,805,933
Loans and advances to related parties	5,893,871	6,020,000
Other Loan and Advances	85,097	10,166,338
Prepaid Expenses	674,051	396,493
Security Deposits	2,275,517	1,344,830
	<b>344,054,653</b>	<b>130,673,649</b>



**2.17: OTHER CURRENT ASSETS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Interest Accrued on FDR	2,296,471	2,307,198
Other Current Assets	75,000	75,000
Insurance Claims	6,659,511	-
	<b>9,030,981</b>	<b>2,382,198</b>

**2.18: REVENUE FROM OPERATIONS**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Sale of Products		
Domestic Sales	5,987,299,001	3,355,359,824
Export Sales	2,277,322,507	767,908,191
Other Operating Revenues	155,982,968	154,625,136
	<b>8,420,604,476</b>	<b>4,277,893,151</b>

**2.18.1: Other operating revenues comprises**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Other Operating Income	12,492,122	18,544,393
Export Incentives	143,490,846	136,080,743
	<b>155,982,968</b>	<b>154,625,136</b>

**2.19: OTHER INCOME**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Comission received	4,934	-
Discount received	377,409	-
Interest income	4,900,998	3,482,318
Miscellaneous income	3,296	100,000
Net profit on foreign currency transaction and translation	-	-
	<b>5,286,637</b>	<b>3,582,318</b>

**Interest Income Comprises:**

Interests on loans and advances	4,900,998	3,482,318
	<b>4,900,998</b>	<b>3,482,318</b>

**2.20: COST OF MATERIALS CONSUMED**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Opening stock	68,996,364	-
Add: Purchases	3,498,496,661	-
Less: Closing Stock	84,868,980	-
Cost of Material Consumed	<b>3,482,624,045</b>	-

**2.21: CHANGE IN INVENTORY OF FINISHED GOODS/ WIP/ STOCK IN TRADE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
<b>Inventories at the end of the year</b>		
Work in progress	-	
Finished Goods	23,630,898	
Stock-in-trade	477,605,456	160,303,291
Stock on Consignment	22,592,667	
	<b>523,829,021</b>	<b>160,303,291</b>
<b>Inventories at the beginning of the year</b>		
Work in progress	-	
Finished Goods	15,543,359	
Stock-in-trade	346,446,174	174,026,842
Stock on Consignment	101,099,712	
	<b>463,089,244</b>	<b>174,026,842</b>
	<b>(60,739,777)</b>	<b>13,723,551</b>

**2.22: EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Contribution to provident and other funds	51,090	-
Salary and Wages	6,207,999	2,538,510
Staff Welfare Expenses	516,326	35,946
Director's remuneration	1,200,000	1,440,000
Provision for Gratuity	488,006	63,553
	<b>8,463,421</b>	<b>4,078,009</b>



**2.23: FINANCE COST**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Interest Expense on borrowings	60,318,676	12,955,951
Interest Expense on others	133,428	4,432
Interest expense on Trade Payables	4,611,569	-
Net Loss on foreign currency transactions	399,925	23,895,602
Other borrowing costs	14,251,840	3,021,118
	<b>79,715,438</b>	<b>39,877,104</b>

**2.24: OTHER EXPENSES**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Audit Fees	250,000	150,000
Business Promotion Expenses	101,006	375,676
Commission On Sales	130,312,143	79,800,082
Consumable Expenses	102,544	-
Conveyance & Travelling Expenses	2,601,588	1,180,395
Donation & Charity	24,300	37,100
Clearing & Forwarding Charges	4,732,847	155,255
Freight & Cartage	9,748,080	1,026,262
General Expenses	490,062	39,810,847
Insurances	1,269,944	297,053
Legal And Professional Charges	4,437,301	1,272,431
Manufacturing Cum Consultancy Charges For Artwares	42,908,059	-
Office Maintenance Expenses	37,573	9,655
Other Statutory Fees & Taxes	210,598	58,278
Packing Charges	525,491	-
Pollution Expenses	100,290	-
Power & Fuel	2,580,780	233,495
Printing & Stationary Expenses	219,566	131,228
Rebate, Claims And Discount Expenses	37,255,573	362,766
Rent, Rate And Taxes	869,092	97,500
Repair & Maintenance	1,397,483	92,033
Shipment Expenses (Import/ Export)	9,580,790	5,674,031
Telephone & Postage Expenses	558,096	303,864
Vehicle Running & Maintenance Expenses	843,500	105,683
	<b>251,156,706</b>	<b>131,173,634</b>

**2.25 EARNINGS PER SHARE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Net Profit for the Year	21,858,930	17,895,783
Weighted average number of equity shares	10,899,415	8,054,237
Nominal value of shares (In Rs)	10	10
Basic/ Diluted Earning Per Share	<b>2.01</b>	<b>2.22</b>

**2.26 DETAILS ON DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES**

- a. The Company have NIL derivative positions as at 31st March, 2015
- b. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are  
Payable in USD - \$ 49,66,879 (Rs. 31,08,80,931) and Recivables in USD - \$ 131,57,055 (Rs. 82,35,10,575)

**2.27 VALUE OF IMPORTS CALCULATED ON CIF BASIS**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Raw Material	536,520,295	-
Traded Goods	216,193,868	1,244,596,233
	<b>752,714,163</b>	<b>1,244,596,233</b>

**2.28 EXPENDITURE IN FOREIGN CURRENCY**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Interest Payment	1,415,837	1,889,908
Commission on Export Sales	124,821,135	76,790,819
	<b>126,236,972</b>	<b>78,680,727</b>

**2.29 EARNINGS IN FOREIGN EXCHANGE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Export of goods	2,277,322,507	767,908,191
	<b>2,277,322,507</b>	<b>767,908,191</b>

**RCI INDUSTRIES & TECHNOLOGIES LTD**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**  
**FIXED ASSETS AS PER COMPANIES ACT**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS ON 01.04.2014	ADDITIONS	DELETIONS /ADJ.	AS ON 31.03.2015	AS ON 01.04.2014	DURING THE YEAR	DELETIONS /ADJ.	AS ON 31.03.2015	AS ON 31.03.2014
LAND	1	-	-	1	-	-	-	1	1
LEASE HOLD EQUIPMENTS	186,545	-	-	186,545	93,750	19,048	-	73,747	92,795
CONTAINER	405,000	-	-	405,000	81,348	43,935	-	279,717	323,652
PLANT & MACHINERY	25,840,262	515,452	-	26,355,714	12,558,082	2,512,193	-	11,285,439	13,282,180
BUILDING	20,508,186	1,676,024	-	22,184,210	13,276,539	690,763	-	8,216,908	7,231,647
MOTOR VEHICLES	13,414,397	694,454	-	14,108,851	7,783,119	2,262,016	-	4,063,716	5,631,278
FURNITURE	571,208	-	-	571,208	385,381	74,895	-	110,932	185,827
ELECTRONIC INSTALLATION	956,446	166,681	-	1,123,127	810,708	51,805	-	260,614	145,738
WEIGHING MACHINE	114,368	22,500	-	136,868	33,154	15,224	-	88,490	81,214
OFFICE EQUIPMENTS	1,252,408	1,906,754	-	3,159,162	875,626	523,251	145,200	1,615,085	376,782
COMPUTERS & PRINTERS	955,467	158,050	-	1,113,517	821,815	75,520	27,473	188,709	133,652
<b>CURRENT YEAR -TOTAL</b>	<b>64,204,288</b>	<b>5,139,915</b>	<b>-</b>	<b>69,344,203</b>	<b>36,719,522</b>	<b>6,268,649</b>	<b>172,673</b>	<b>26,183,359</b>	<b>27,484,766</b>
<b>PREVIOUS YEAR -TOTAL</b>	<b>31,293,256</b>	<b>889,700</b>	<b>210,000</b>	<b>31,972,956</b>	<b>18,358,542</b>	<b>2,248,557</b>	<b>6,082</b>	<b>11,371,944</b>	<b>12,934,719</b>



## 2.30 Related party transactions

### Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Rajiv Gupta
Relatives of KMP (Relation with KMP)	Mr. Ramesh Chand Gupta(Father), Mrs. Satyawati Gupta(Mother), Mrs. Mamta Gupta(Wife), Ms. Ritika Gupta(Daughter), Mr. Pradeep Gupta(Brother)
Subsidiaries	RCI World Trade Link DMCC (Dubai), RCI Skills & Development Pvt Ltd
Investment in Partnership Firm	Satya Metals
Enterprises in which KMP / Relatives of KMP can exercise significant influence	Ace Matrix & Solutions Ltd, Mamta Global Pvt Ltd, All Heavens Restaurant Pvt Ltd, Metalrod Ltd

Note: Related parties have been identified by the Management.

### Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:

	Subsidiaries	KMP	Relatives of KMP	Investment in Partnership Firms (Satya Metals)	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	-	-	-	-	-
Sale of goods	-	-	-	-	-	-
	-	(27,500,250)	-	(866,629,920)	-	(894,130,170)
Rendering of services	-	-	-	-	(100,000)	(100,000)
Receiving of services	-	1,200,000	-	-	106,129	1,306,129
	-	(1,200,000)	(240,000)	-	-	(1,440,000)
Equity Contributions in Cash	-	-	-	-	-	-
	-	(50,000,000)	-	-	(6,500,000)	(56,500,000)
Advance received not bearing interest	-	-	-	-	-	-
Loans and Advances Given	-	-	-	-	-	-
	-	-	-	-	(20,000)	(20,000)
Investment in Partnership firm/ Proprietorship Unit	-	-	-	-	-	-
	-	-	-	(84,600,000)	-	(84,600,000)
Loan/ Investment in Subsidiaries	1,994,065	-	-	-	-	1,994,065
	(1,807,625)	-	-	-	-	(1,807,625)
Loan from Subsidiaries	300,000,000	-	-	-	-	300,000,000
	-	-	-	-	-	-
Guarantees -Satya Metals	-	-	-	-	-	-
	-	-	-	(130,000,000)	-	(130,000,000)

### Balances outstanding at the end of the year

Trade receivables	-	-	-	-	-	-
	-	-	-	-	(75,000)	(75,000)
Trade payables/ Expenses Payables	-	-	685,070	-	106,129	791,199
	-	(411,836)	(685,070)	-	-	(1,096,906)
Investment in Partnership firm	-	-	-	-	-	-
	-	-	-	(199,286,630)	-	(199,286,630)
Loans and advances	-	-	-	-	-	-
	-	-	-	-	(4,020,000)	(4,020,000)
Loans/ Investment in Subsidiaries	1,994,065	-	-	-	-	1,994,065
	(1,807,625)	-	-	-	-	(1,807,625)
Loan from Subsidiaries	300,000,000	-	-	-	-	300,000,000
	-	-	-	-	-	-
Advance received not bearing interest	-	-	179,787	-	-	179,787
	-	-	(179,787)	-	-	(179,787)

Note: Figures in bracket relates to the previous year

**RCI INDUSTRIES & TECHNOLOGIES LIMITED**  
Notes forming part of the financial statements

**2.31 Contingent Liabilities and Commitments**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts *		
in respect of statutory dues	374,845	236,497
(B) Guarantees to Banks and Financial Institutions against credit facilities extended to		
Satya Metals **	-	130,000,000
(Partnership firm in which the company is a partner)		

\* The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

\*\* The firm 'Satya Metals' was taken over by company wef 01-04-2014 and is now a proprietorship unit of the company in the name of RCI Copper. Consequently the credit limits to the extent utilised has been shown in short term borrowings

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS OF  
**RCI INDUSTRIES & TECHNOLOGIES LIMITED**  
Delhi.

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **RCI INDUSTRIES AND TECHNOLOGIES LIMITED** ("the Company"), its subsidiaries (collectively referred to as "the Group") having their registered office at B-97, Wazirpur industrial Area, Delhi -110052 which comprise the Consolidated Balance Sheet as at 31 March 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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 of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the companies (Accounts) Rule, 2014. This responsibility also includes maintenance of proper accounting records, in accordance with the provision of the Act for safeguarding of the assets of the Group and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent and design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We 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 thereunder. 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 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 internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the operative effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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:

- i. in the case of the consolidated balance sheet, of the state of affairs of the Group as at 31 March 2015;
- ii. in the case of the consolidated statement of profit and loss, of the consolidated profit for the year ended on that date; and
- iii. in the case of the consolidated cash flow statement, of the consolidated cash flows for the year ended on that date.

**For RPMD & Associates**

**Chartered Accountants**

Firm's registration number: 005961C

Sd/-

**(Rahul Jain)**

Partner

Membership number: 518352

Place: Delhi

Date: 26-05-2015

**RCI INDUSTRIES & TECHNOLOGIES LTD**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015**

PARTICULARS	Note	As at 31 March 2015	As at 31 March 2014
		Rs.	Rs.
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
Capital Account	2.1	108,994,150	108,994,150
Reserves and surplus	2.2	372,965,083	319,131,873
<b>Non-Current Liabilities</b>			
Long-term borrowings	2.3	16,756,333	612,584
Other Long term Liabilities	2.3a	300,000,000	-
Deferred tax liabilities (net)	2.4	56,867	816,051
Long term provisions	2.5	695,932	207,926
<b>Current liabilities</b>			
Short-term borrowings	2.6	494,343,434	260,954,692
Trade payables	2.7	1,172,020,898	309,537,162
Other current liabilities	2.8	247,942,028	92,014,845
Short term provisions	2.9	9,447,395	3,608,891
		<b>2,723,222,120</b>	<b>1,095,878,174</b>
<b><u>ASSETS</u></b>			
<b>Non current assets</b>			
Fixed assets			
- Tangible assets	2.10	26,183,359	11,371,944
- Capital WIP		4,005,967	-
Non Current investments	2.11	-	199,286,630
Long term loans and advances	2.12	15,528,887	6,985,011
<b>Current assets</b>			
Inventories	2.13	608,698,001	160,303,291
Trade receivables	2.14	1,654,065,152	552,455,905
Cash and cash equivalents	2.15	61,420,120	32,146,350
Short term loan and advances	2.16	344,289,653	130,946,845
Other current assets	2.17	9,030,981	2,382,198
		<b>2,723,222,120</b>	<b>1,095,878,174</b>

Significant Accounting Policies

1

Notes on Financial Statements

2

As per our report of even date

For **RPMD & Associates**  
**Chartered Accountants**

Firm's registration no. 005961C

sd/-

(Rahul Jain)

Partner

M No. 518352

Delhi

May 26, 2015

For & on behalf of Board of Directors

sd/-  
(Rajeev Gupta)  
**Managing  
Director**  
DIN- 00503196

sd/-  
(Mamta Gupta)  
**Director**  
DIN- 00503302

sd/-  
(Abhishek Kedia)  
**Company Secretary & CFO**  
M No. A33537



PARTICULARS	Note	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rs.	Rs.
<b>Revenue</b>			
Revenue from operations	2.18	9,825,660,374	4,277,893,151
Other income	2.19	5,286,637	3,582,318
<b>Total Revenue</b>		<b>9,830,947,011</b>	<b>4,281,475,469</b>
<b>Expenses</b>			
Cost of materials consumed	2.20	3,482,624,045	-
Purchases of stock-in trade		5,989,732,035	4,069,141,552
Change in inventory of finished goods/ WIP/ Stock in trade	2.21	(60,739,777)	13,723,551
Employee benefits expense	2.22	9,528,215	4,078,009
Finance costs	2.23	79,793,818	39,877,104
Depreciation and amortization expense	2.10	6,268,649	2,248,557
Other Expenses	2.24	253,205,791	131,802,230
<b>Total expenses</b>		<b>9,760,412,776</b>	<b>4,260,871,003</b>
<b>Exceptional items</b>		-	-
<b>Profit/(Loss) before extraordinary items and tax</b>		<b>70,534,235</b>	<b>20,604,467</b>
<b>Less: Tax expense</b>			
Current tax		9,447,395	3,608,891
Deferred Tax	2.4	(759,184)	(271,611)
Minimum alternate tax		-	-
<b>Profit/(Loss) for the period</b>		<b>61,846,025</b>	<b>17,267,187</b>
<b>Earning per equity share</b>			
Basic/Diluted	2.25	5.67	2.14

**Significant Accounting Policies**
**1**
**Notes on Financial Statements**
**2**

As per our report of even date

For &amp; on behalf of Board of Directors

For RPMD &amp; Associates

Chartered Accountants

Firm's registration no. 005961C

sd/-

**(Rahul Jain)**

Partner

M No. 518352

Delhi

May 26, 2015

sd/-

**(Rajeev Gupta)**
**Managing**
**Director**
**DIN- 00503196**

sd/-

**(Mamta Gupta)**
**Director**
**DIN- 00503302**

sd/-

**(Abhishek Kedia)**
**Company Secretary & CFO**
**M No. A33537**

**RCI INDUSTRIES & TECHNOLOGIES LIMITED**
**Consolidated Cash Flow Statement for the year ended 31st March, 2015**

Particulars	For The Year Ended March 31, 2015	For The Year Ended March 31, 2014
<b>A. Cash flow from Operating activities</b>		
Profit/ (Loss) before tax	70,534,235	20,604,467
Adjustments for:		
Depreciation	6,268,649	2,248,557
Interest Expense	79,793,818	39,877,104
Provision for Doubtful Debt	-	-
Adj to profit & loss account	(8,012,814)	-
<b>Operating profit before working capital changes</b>	<b>148,583,888</b>	<b>62,730,128</b>
Movements in working capital :		
(Increase)/ Decrease in Inventories	(448,394,711)	13,723,551
(Increase)/Decrease in Trade Receivables	(1,101,609,247)	(191,080,676)
(Increase)/Decrease in Other Receivables	(221,886,684)	(7,581,354)
Increase/(Decrease) in Trade Payables and Other Liabilities	1,324,737,428	86,636,929
(Increase)/Decrease in Other assets	(6,648,784)	(1,338,829)
Cash generated from operations	(305,218,109)	(36,910,251)
Income tax Refund/ (paid) during the year	(9,447,394)	(3,337,280)
<b>Net cash from operating activities (A)</b>	<b>(314,665,503)</b>	<b>(40,247,531)</b>
<b>B. Cash flow from Investing activities</b>		
Purchase of Fixed assets (including capital advances)	(25,086,031)	(872,782)
(Purchase)/Sale Of Long Term Investment	199,286,630	(86,635,184)
Sale of Fixed Assets	-	187,000
<b>Net cash from investing activities (B)</b>	<b>174,200,599</b>	<b>(87,320,966)</b>
<b>C. Cash flow from Financing activities</b>		
Proceeds from issue of share capital/ application money	-	158,163,822
Interest paid on borrowings	(79,793,818)	(39,877,104)
Proceeds/(Repayment) of Short Term Loans	16,143,749	17,319,038
Proceeds/(Repayment) of Long Term Loans	233,388,743	(305,554)
<b>Net cash from financing activities (C)</b>	<b>169,738,674</b>	<b>135,300,202</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>29,273,770</b>	<b>7,731,705</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>32,146,350</b>	<b>24,414,646</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>61,420,120</b>	<b>32,146,350</b>

As per our report of even date

For RPMD & Associates  
Chartered Accountants  
Firm's registration no. 005961C

sd/-

(Rahul Jain)  
Partner  
M No. 518352  
Delhi  
May 26, 2015

For &amp; on behalf of Board of Directors

sd/-

(Rajeev Gupta)  
Managing  
Director  
DIN- 00503196

sd/-

(Abhishek Kedia)  
Company Secretary & CFO  
M No. A33537

sd/-

(Mamta Gupta)  
Director  
DIN- 00503302

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**RCI INDUSTRIES AND TECHNOLOGIES LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

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**1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS****A. Principles of Consolidation**

The consolidated financial statements relate to RCI Industries & Technologies Limited and its wholly owned subsidiaries, (1) RCI World Trade Link DMCC and (2) RCI Skills and Development Private Limited. The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- ii) The subsidiary – RCI World Trade Link DMCC being foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year.
- iii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**B. Other Significant Accounting Policies**

These are set out under "Significant Accounting Policies" as given in the Company's Standalone Financial Statements.




**RCI INDUSTRIES & TECHNOLOGIES LTD**
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

**2.1 SHARE CAPITAL**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Authorised</b> 150,00,000 shares of Rs.10 each (PY 150,00,000 shares of Rs. 10 each)	150,000,000	150,000,000
	<b>150,000,000</b>	<b>150,000,000</b>
<b>Issued, Subscribed &amp; fully paid up</b> 1,08,99,415 shares of Rs.10 each (PY 1,08,99,415 shares of Rs.10 each )	108,994,150	108,994,150
	<b>108,994,150</b>	<b>108,994,150</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**
**Equity shares**

	31 March 2015	
	Number	(Rs.)
At the beginning of the year	10,899,415	108,994,150
Issued during the year for consideration in cash	-	-
Outstanding at the end of the year	<b>10,899,415</b>	<b>108,994,150</b>

**Equity shares**

	31 March 2014	
	Number	(Rs.)
At the beginning of the year	6,606,915	66,069,150
Issued during the year for consideration in cash	4,292,500	42,925,000
Outstanding at the end of the year	<b>10,899,415</b>	<b>108,994,150</b>

**b. Terms/ rights attached to equity shares**

1. The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
2. The company has not declared or paid any dividend to the shareholder at any time since inception of the company
3. During the year 2013-14, the company has allotted 28,80,000 @ Rs. 40 per share including premium of Rs. 30 per share to public via IPO and the company is listed on BSE SME platform.

**The details of shareholder holding more than 5% equity shares is set below:**

Name of Shareholders	As at 31 March 2015	As at 31 March 2014
	No. of Shares held (%)	No. of Shares held (%)
Ace Matrix Solutions Ltd.	1751900 (16.07)	1751900 (16.07)
Ace Trade Solutions Pvt Ltd	595750 (5.47)	595750 (5.47)
Kamlesh Shantilalji Jain	606000 (5.56)	606000 (5.56)
Metalrod Ltd.	812500 (7.45)	812500 (7.45)
Rajeev Gupta	4364720 (40.05)	4364720 (40.05)

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**2.2 RESERVE AND SURPLUS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Securities Premium Account</b>		
Opening Balance	218,786,395	94,359,350
Add: Amount received towards issues of shares during the year	-	128,775,000
Less: Amount utilised towards public issue expenses	-	(4,347,955)
Closing Balance	218,786,395	218,786,395
<b>Surplus balance in the statement of profit and loss</b>		
Opening Balance	100,345,478	92,266,514
Add: Profit/(Loss) for the year	61,846,025	17,267,187
Add: Subsidiary adjustments	845,199	-
Less: Excess Provision of Income Tax/ Income W/Off and TDS	(8,576,498)	(9,188,223)
Receivable of Previous years		
Less: Listing Expenses W/off	(108,843)	-
Less: Dep W/off pursuant to change in useful life	(172,673)	-
Closing Balance	154,178,688	100,345,478
	<b>372,965,083</b>	<b>319,131,873</b>

**2.3 LONG TERM BORROWINGS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>SECURED</b>		
ICICI Bank Car Loan	256,333	612,584
<b>UNSECURED</b>		
Intercompany Deposits	16,500,000	-
	<b>16,756,333</b>	<b>612,584</b>

**2.3.1 ICICI Bank Car Loan**

- The loan is taken from ICICI Bank carrying an interest rate of 11.08% per annum and is secured against leased assets
- Principal repayment of Rs. 3.41 lakhs due within next 12 months has been shown as Other Current Liabilities

**2.3a OTHER LONG TERM LIABILITIES**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Advances received from Anis Ahmed Burney towards joint venture in skill and development project	300,000,000	-
	<b>300,000,000</b>	<b>-</b>

**2.4 DEFERRED TAX LIABILITIES**

Particulars	As at 1 April' 2014	During the year	As at 31 March, 2015
<b>DTL</b>			
Depreciation	816,051	(732,232)	83,819
<b>DTA</b>			
on account of Losses	-	(26,952)	26,952
<b>Net DTL</b>	<b>816,051</b>	<b>(759,184)</b>	<b>56,867</b>

**2.5 LONG TERM PROVISIONS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Provision for Employee Benefits</b>		
Gratuity	695,932	207,926
	695,932	207,926

**a) Gratuity**

Change in present value of obligation

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Present value of obligation as at the beginning of the year	207,926	144,373
Interest cost	17,674	11,550
Current service cost	218,034	67,372
Benefits paid	-	-
Actuarial (gain)/loss on obligation	252,298	(15,369)
Present value of obligation as at the end of year *	695,932	207,926

**Actuarial gain / loss recognized**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Actuarial gain/(loss) for the year -obligation	(252,298)	15,369
Actuarial (gain)/loss for the year plan assets	-	-
Total (gain)/loss for the year	252,298	(15,369)
Actuarial (gain) / loss recognized in the year	252,298	(15,369)
Unrecognized actuarial (gains) losses at the end of year	-	-



The amounts to be recognized in balance sheet and related analysis

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Present value of obligation as at the end of the year	695,932	207,926
Fair value of plan assets as at the end of the year	-	-
Funded status / Difference	(695,932)	(207,926)
Net asset/(liability) recognized in balance sheet	(695,932)	(207,926)

Expense recognized in the statement of profit and loss

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Current service cost	218,034	67,372
Interest cost	17,674	11,550
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the year	252,298	(15,369)
Expenses recognized in the statement of profit and losses	488,006	63,553

For determination of the gratuity liability of the Company, the following actuarial assumptions were used:

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Discount rate	8.50%	8.00%
Future salary increase rate	10.00%	10.00%
Retirement age (years)	60	60

## 2.6 SHORT TERM BORROWINGS

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
<b>Secured</b>		
Working Capital Loans		
Rupee Loans from Banks		
- Jammu and Kashmir Bank Ltd	9,809,311	9,153,791
- Union Bank of India	213,372,340	-
- Oriental Bank of Commerce	44,049,975	-
- Yes Bank Ltd	-	79,422,115
Foreign Currency Loans		
- Buyers Credit from J & K Bank	46,921,477	62,781,004
- Buyers Credit from Union Bank of India	33,271,957	-
- Buyers Credit from OBC	43,246,060	-
- Buyers Credit - Yes Bank	-	109,417,994
Acceptances - LC- Oriental Bank of Commerce	33,747,372	-
<b>Unsecured</b>		
Supplier Credit - Sesa Sterlite Ltd (Axis Bank)	68,970,443	-
Loans and advances from related parties	954,499	179,787
	<b>494,343,434</b>	<b>260,954,692</b>

### 2.6.1 Secured loans from banks

- Working Capital Loans are secured by hypothecation of present and future inventories, outstandings and receivables

**2.7 TRADE PAYABLES**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Trade Payables	1,172,020,898	309,537,162
	<b>1,172,020,898</b>	<b>309,537,162</b>

**2.8 OTHER CURRENT LIABILITIES**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Advances from Customers	19,853,649	89,386,652
CST Security against C Form	11,076,051	-
Current maturities of long term debt	357,504	305,554
Due to directors	598,448	1,086,906
Expenses Payables	203,147,300	856,529
Payable towards purchase of fixed assets	280,298	-
Security Deposits	-	60,000
Statutory Liabilities	12,628,778	319,203
	<b>247,942,028</b>	<b>92,014,845</b>

**2.9 SHORT-TERM PROVISIONS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Provision for Income Tax	9,447,395	3,608,891
	<b>9,447,395</b>	<b>3,608,891</b>

**2.11 NON CURRENT INVESTMENTS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Other non-current Investments		
Investment in Wholly Owned Subsidiaries		
Investment in Equity share of RCI Skills & Development Pvt Ltd	-	-
Investment in Equity share of RCI World Trade Link DMCC, Dubai	-	-
Loans to RCI World Trade Link DMCC, Dubai	-	-
Loans to RCI Skills & Development Pvt Ltd	-	-
Investment in Partnership Firm - Satya Metals	-	199,286,630
	<b>-</b>	<b>199,286,630</b>

**2.12 LONG TERM LOANS AND ADVANCES**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Unsecured, considered good		
Capital Advances	-	500,000
Loan and advances to related parties	142,412	-
Other loans and advances	8,026,964	-
Security Deposits	7,359,511	6,485,011
	<b>15,528,887</b>	<b>6,985,011</b>

**2.13: INVENTORIES**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Raw Material	84,868,980	-
Work in progress	-	-
Finished Goods	23,630,898	-
Stock in trade	477,605,456	160,303,291
Stock on Consignment	22,592,667	-
	<b>608,698,001</b>	<b>160,303,291</b>

**2.14: TRADE RECEIVABLES**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Unsecured, considered good		
Debts outstanding for period for less than six months	1,605,367,976	497,076,392
Debts outstanding for period for more than six months	48,697,176	55,379,513
	<b>1,654,065,152</b>	<b>552,455,905</b>

**2.15: CASH AND CASH EQUIVALENTS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Cash on hand	2,845,415	1,205,287
Balance with Banks in Current A/c	12,938,204	1,669,759
Balance with Banks in FDRs with original maturity of less than 12 months		
Margin Money in the form of Deposits	45,636,501	29,271,304
	<b>61,420,120</b>	<b>32,146,350</b>



**2.16: SHORT TERM LOAN AND ADVANCES**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Advances to Suppliers	27,403,995	31,940,056
Balance with Government Authorities	307,722,122	80,805,933
Loans and advances to related parties	5,893,871	6,020,000
Other Loan and Advances	85,097	10,166,338
Prepaid Expenses	674,051	669,689
Security Deposits	2,510,517	1,344,830
	<b>344,289,653</b>	<b>130,946,845</b>

**2.17: OTHER CURRENT ASSETS**

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Interest Accrued on FDR	2,296,471	2,307,198
Other Current Assets	75,000	75,000
Insurance Claims	6,659,511	-
	<b>9,030,981</b>	<b>2,382,198</b>

**2.18: REVENUE FROM OPERATIONS**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Sale of Products		
Domestic Sales	7,342,459,062	3,355,359,824
Export Sales	2,327,218,344	767,908,191
Other Operating Revenues	155,982,968	154,625,136
	<b>9,825,660,374</b>	<b>4,277,893,151</b>

**2.18.1: Other operating revenues comprises**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Other Operating Income	12,492,122	18,544,393
Export Incentives	143,490,846	136,080,743
	<b>155,982,968</b>	<b>154,625,136</b>

**2.19: OTHER INCOME**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Comission received	4,934	-
Discount received	377,409	-
Interest income	4,900,998	3,482,318
Miscellaneous income	3,296	100,000
Net profit on foreign currency transaction and translation	-	-
	<b>5,286,637</b>	<b>3,582,318</b>

**Interest Income Comprises:**

Interests on loans and advances	4,900,998	3,482,318
	<b>4,900,998</b>	<b>3,482,318</b>

**2.20: COST OF MATERIALS CONSUMED**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Opening stock	68,996,364	-
Add: Purchases	3,498,496,661	-
Less: Closing Stock	84,868,980	-
Cost of Material Consumed	<b>3,482,624,045</b>	<b>-</b>

**2.21: CHANGE IN INVENTORY OF FINISHED GOODS/ WIP/ STOCK IN TRADE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
<b>Inventories at the end of the year</b>		
Work in progress	-	-
Finished Goods	23,630,898	-
Stock-in-trade	477,605,456	160,303,291
Stock on Consignment	22,592,667	-
	<b>523,829,021</b>	<b>160,303,291</b>
<b>Inventories at the beginning of the year</b>		
Work in progress	-	-
Finished Goods	15,543,359	-
Stock-in-trade	346,446,174	174,026,842
Stock on Consignment	101,099,712	-
	<b>463,089,244</b>	<b>174,026,842</b>
	<b>(60,739,777)</b>	<b>13,723,551</b>

**2.22: EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Contribution to provident and other funds	51,090	-
Salary and Wages	7,272,793	2,538,510
Staff Welfare Expenses	516,326	35,946
Director's remuneration	1,200,000	1,440,000
Provision for Gratuity	488,006	63,553
	<b>9,528,215</b>	<b>4,078,009</b>

**2.23: FINANCE COST**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Interest Expense on borrowings	60,318,676	12,955,951
Interest Expense on others	133,428	4,432
Interest expense on Trade Payables	4,611,569	-
Net Loss on foreign currency transactions	399,925	23,895,602
Other borrowing costs	14,330,220	3,021,118
	<b>79,793,818</b>	<b>39,877,104</b>

**2.24: OTHER EXPENSES**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Audit Fees	255,000	150,000
Business Promotion Expenses	101,006	375,676
Commission On Sales	130,312,143	79,800,082
Consumable Expenses	102,544	-
Conveyance & Travelling Expenses	2,678,098	1,180,395
Donation & Charity	24,300	37,100
Clearing & Forwarding Charges	4,732,847	155,255
Freight & Cartage	9,748,080	1,026,262
General Expenses	1,285,330	40,439,443
Insurances	1,269,944	297,053
Legal And Professional Charges	5,390,071	1,272,431
Manufacturing Cum Consultancy Charges For Artwares	42,908,059	-
Office Maintenance Expenses	55,525	9,655
Other Statutory Fees & Taxes	210,598	58,278
Packing Charges	525,491	-
Pollution Expenses	100,290	-
Power & Fuel	2,580,780	233,495
Printing & Stationary Expenses	239,997	131,228
Rebate, Claims And Discount Expenses	37,255,573	362,766
Rent, Rate And Taxes	949,241	97,500
Repair & Maintenance	1,397,483	92,033
Shipment Expenses (Import/ Export)	9,643,264	5,674,031
Telephone & Postage Expenses	596,628	303,864
Vehicle Running & Maintenance Expenses	843,500	105,683
	<b>253,205,791</b>	<b>131,802,230</b>



**2.25 EARNINGS PER SHARE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Net Profit for the Year	61,846,025	17,267,187
Weighted average number of equity shares	10,899,415	8,054,237
Nominal value of shares (In Rs)	10	10
Basic/ Diluted Earning Per Share	5.67	2.14

**2.26 DETAILS ON DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES**

- a. The Company have NIL derivative positions as at 31st March, 2015
- b. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are  
Payable in USD - \$ 49,66,879 (Rs. 31,08,80,931) and Recivables in USD - \$ 131,57,055 (Rs. 82,35,10,575)

**2.27 VALUE OF IMPORTS CALCULATED ON CIF BASIS**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Raw Material	536,520,295	-
Traded Goods	216,193,868	1,244,596,233
	752,714,163	1,244,596,233

**2.28 EXPENDITURE IN FOREIGN CURRENCY**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Interest Payment	1,415,837	1,889,908
Commission on Export Sales	124,821,135	76,790,819
	126,236,972	78,680,727

**2.29 EARNINGS IN FOREIGN EXCHANGE**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rs.	Rs.
Export of goods	2,277,322,507	767,908,191
	2,277,322,507	767,908,191

**RCI INDUSTRIES & TECHNOLOGIES LTD**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**  
**FIXED ASSETS AS PER COMPANIES ACT**

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS ON 01.04.2014	ADDITIONS	DELETIONS /ADJ.	AS ON 31.03.2015	AS ON 01.04.2014	DURING THE YEAR	DELETIONS /ADJ.	AS ON 31.03.2015	AS ON 31.03.2014
LAND	1	-	-	1	-	-	-	1	1
LEASE HOLD EQUIPMENTS	186,545	-	-	186,545	93,750	19,048	-	73,747	92,795
CONTAINER	405,000	-	-	405,000	81,348	43,935	-	279,717	323,652
PLANT & MACHINERY	25,840,262	515,452	-	26,355,714	12,558,082	2,512,193	-	11,285,439	13,282,180
BUILDING	20,508,186	1,676,024	-	22,184,210	13,276,539	690,763	-	8,216,908	7,231,647
MOTOR VEHICLES	13,414,397	694,454	-	14,108,851	7,783,119	2,262,016	-	4,063,716	5,631,278
FURNITURE	571,208	-	-	571,208	385,381	74,895	-	110,932	185,827
ELECTRONIC INSTALLATION	956,446	166,681	-	1,123,127	810,708	51,805	-	260,614	145,738
WEIGHING MACHINE	114,368	22,500	-	136,868	33,154	15,224	-	88,490	81,214
OFFICE EQUIPMENTS	1,252,408	1,906,754	-	3,159,162	875,626	523,251	145,200	1,615,085	376,782
COMPUTERS & PRINTERS	955,467	158,050	-	1,113,517	821,815	75,520	27,473	188,709	133,652
<b>CURRENT YEAR -TOTAL</b>	<b>64,204,288</b>	<b>5,139,915</b>	<b>-</b>	<b>69,344,203</b>	<b>36,719,522</b>	<b>6,268,649</b>	<b>172,673</b>	<b>26,183,359</b>	<b>27,484,766</b>
<b>PREVIOUS YEAR -TOTAL</b>	<b>31,293,256</b>	<b>889,700</b>	<b>210,000</b>	<b>31,972,956</b>	<b>18,358,542</b>	<b>2,248,557</b>	<b>6,082</b>	<b>11,371,944</b>	<b>12,934,719</b>

**RCI INDUSTRIES & TECHNOLOGIES LIMITED**  
Notes forming part of the consolidated financial statements

**2.30 Related party transactions**

**Details of related parties:**

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Rajiv Gupta
Relatives of KMP (Relation with KMP)	Mr. Ramesh Chand Gupta(Father), Mrs. Satyawali Gupta(Mother), Mrs. Mamta Gupta(Wife), Ms. Hritika Gupta(Daughter), Mr. Pradeep Gupta(Brother)
Investment in Partnership Firm	Satya Metals
Enterprises in which KMP / Relatives of KMP can exercise significant influence	Ace Matrix & Solutions Ltd, Mamta Global Pvt Ltd, All Heavens Restaurant Pvt Ltd, Metalrod Ltd

Note: Related parties have been identified by the Management.

**Details of related party transactions during the year ended 31 March, 2015 and balances outstanding as at 31 March, 2015:**

	KMP	Relatives of KMP	Investment in Partnership Firms (Satya Metals)	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	-	-	-	-
Sale of goods	(27,500,250)	-	(866,629,920)	-	(894,130,170)
Rendering of services	-	-	-	(100,000)	(100,000)
Receiving of services	1,200,000	-	-	106,129	1,306,129
	(1,200,000)	(240,000)	-	-	(1,440,000)
Equity Contributions in Cash	-	-	-	-	-
	(50,000,000)	-	-	(6,500,000)	(56,500,000)
Advance received not bearing interest	-	-	-	-	-
Loans and Advances Given	-	-	-	(20,000)	(20,000)
Investment in Partnership firm/ Proprietorship Unit	-	-	(84,600,000)	-	(84,600,000)
Guarantees -Satya Metals	-	-	-	-	-
	-	-	(130,000,000)	-	(130,000,000)

**Balances outstanding at the end of the year**

Trade receivables	-	-	-	-	-
	-	-	-	(75,000)	(75,000)
Trade payables/ Expenses Payables	-	685,070	-	106,129	791,199
	(411,836)	(685,070)	-	-	(1,096,906)
Investment in Partnership firm	-	-	-	-	-
	-	-	(199,286,630)	-	(199,286,630)
Loans and advances	-	-	-	-	-
	-	-	-	(4,020,000)	(4,020,000)
Advance received not bearing interest	-	179,787	-	-	179,787
	-	(179,787)	-	-	(179,787)

Note: Figures in bracket relates to the previous year

# RCI INDUSTRIES & TECHNOLOGIES LIMITED

Notes forming part of the consolidated financial statements

## 2.31 Contingent Liabilities and Commitments

Particulars	As at 31 March 2015	As at 31 March 2014
	Rs.	Rs.
Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts *		
in respect of statutory dues	4,980,558	236,497
(B) Guarantees to Banks and Financial Institutions against credit facilities extended to		
Satya Metals **	-	130,000,000
(Partnership firm in which the company is a partner)		

\* The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

\*\* The firm 'Satya Metals' was taken over by company wef 01-04-2014 and is now a proprietorship unit of the company in the name of RCI Copper. Consequently the credit limits to the extent utilised has been shown in short term borrowings



2.32 Additional Information as required under Schedule III to the Companies Act, 2013

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount(Rs.)	As % of consolidated profit or loss	Amount(Rs.)
Parent RCI Industries & Technologies Ltd	91.66%	441,755,536	35.34%	21,858,930
Subsidiaries				
Indian				
RCI Skills and Social Development Private Limited (Wholly Owned Subsidiary)	-0.01%	(39,729)	-0.10%	(60,271)
Foreign				
RCI World Trade Link DMCC - (UAE) (Wholly Owned Subsidiary)	8.35%	40,243,426	64.75%	40,047,366

The company have not consolidated the financial statement of 2 associates companies (Metalrod Limited and Ace Matrix Solutions Limited) as the AS -21 exempts the consolidation of financial statement of such associates because the investment in shares of associates was acquired as stock in trade and the intention of such investment was to disposed off the same in near future and further Section 129 (3) of the Companies Act, 2013 read with first proviso to Rule 6 of Companies (Accounts) Rules, 2014 which stated that in case of a company covered under sub section (3) of section 129 which is not required to prepare consolidated financial statements under Accounting Standards, it shall be sufficient if the company complies with provision of Consolidated Financial Statements provided in Schedule III of the Act and the company has duly complied with provision of Schedule III of the Act by disclosing the name of associates not consolidated and reason thereof as mentioned above.





## Form AOC-1

### 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": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details		
1	Name of the subsidiary	RCI Skills and Social Development Private Limited	RCI World Trade Link DMCC	
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2014 to 31-03-2015	01-01-2014 to 31-12-2014	
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	1AED – Rs. 16.973 as on 31-03-2015	
		INR	AED	INR
4	Share capital	100000	50000	848650
5	Reserves & surplus	(60271)	2370629	40236681
6	Total assets	300370489	3262318	55371321
7	Total Liabilities	300370489	3262318	55371321
8	Investments	0	0	0
9	Turnover	0	84451626	1405055898
10	Profit before taxation	(87233)	2407068	40047366
11	Provision for taxation	26952	0	0
12	Profit after taxation	(60271)	2407068	40047366
13	Proposed Dividend	-	0	0
14	% of shareholding	100%	100%	

1. Names of subsidiaries which are yet to commence operations - NA

2. Names of subsidiaries which have been liquidated or sold during the year. - NA



**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates	Ace Matrix Solutions Limited	Metalrod Limited
Latest audited Balance Sheet Date	31-03-2015	31-03-2015
Shares of Associate/Joint Ventures held by the company on the year end		
No.	30110	316380
Amount of Investment in Associates/Joint Venture	6016304	3994528
Extend of Holding%	22%	34.27%
Description of how there is significant influence	Due to percentage of share capital	
Reason why the associate/joint venture is not consolidated	As disclosed in Note 2.32 of accompanied consolidated financial statements.	
Net worth attributable to shareholding as per latest audited Balance Sheet	6087365	69860089
Profit/Loss for the year		
Considered in Consolidation	NA	NA
Not Considered in Consolidation	60900	179001

- Names of associates or joint ventures which are yet to commence operations. NA
- Names of associates/joint ventures which have been liquidated/sold during the year NA

For & on behalf of Board of Directors

**For RPMD & Associates  
Chartered Accountants**

Firm's registration no. 005961C

(Rajeev Gupta)

**Managing  
Director**

**DIN- 00503196**

(Mamta Gupta)

**Director**

**DIN- 00503302**

**(Rahul Jain)**

Partner

M No. 518352

Delhi

May 26, 2015

(Abhishek Kedia)

**Company Secretary &  
CFO**

**M No. A33537**



**FORM NO. MGT – 11**

**RCI INDUSTRIES & TECHNOLOGIES LIMITED**

(CIN : L74900DL1992PLC047055)

Registered Office: B-97, All Heavens Building, Wazirpur Ring Road, Delhi - 110052

Email: abhishek@rciind.com, Website: www.rciind.com

Phone: 011-27372194, Fax: 011-27371334

**PROXY FORM**

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(2) of the Companies (Management and Administration) Rules 2014

Name of the member(s):-----

Registered Address-----

Email ID-----Folio No/Client ID-----DPID-----

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

1. Name-----Address-----  
Email-----Signature-----or failing him
2. Name-----Address-----  
Email-----Signature-----or failing him
3. Name-----Address-----  
Email-----Signature----- as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on the 29<sup>th</sup> September, 2015 at 10.00 A.M at B-97, All Heavens Building, Wazirpur Ring Road, Delhi - 110052 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1-----2-----3-----

Signed this day of-----2015

Signature of Shareholder-----

Signature of Proxy Holder(s)-----

Affix 1 Rs.  
Revenue  
Stamp

**Note:** This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed , not less than 48 hours before the meeting.



**RCI INDUSTRIES & TECHNOLOGIES LIMITED**

(CIN : U74900DL1992PLC047055)

Registered Office: B-97, All Heavens Building, Wazirpur Ring Road, Delhi - 110052

Email: abhishek@rciind.com, Website: www.rciind.com

Phone: 011-27372194, Fax: 011-27371334

**ATTENDANCE SLIP**  
**24<sup>RD</sup> ANNUAL GENERAL MEETING**

Reg.Folio/DP&ClientNo.\_\_\_\_\_ No.of Shares Held:\_\_\_\_\_

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company.  
I hereby record my presence at the 24<sup>RD</sup> Annual General Meeting of the Company at the  
Registered Office of the Company at B-97, All Heavens Building, Wazirpur Ring Road, Delhi -  
110052 at 10 AM on Tuesday, the 29<sup>th</sup> September, 2015

**Members Name**\_\_\_\_\_

**Proxy(s) Name**\_\_\_\_\_

**Members/Proxys Signature**

Note: 1. please fill this attendance slip and hand it over at the entrance of the Hall.

2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo  
ID Proof for attending the Meeting.

3. Authorized Representatives of Corporate members shall produce proper authorization  
issued in their favour.