

• MORE COPIES BETTER COPIES •

• MORE COPIES BETTER COPIES •

**Rathi®
Toner**

• MORE COPIES BETTER COPIES •

• MORE COPIES BETTER COPIES •

**SEVENTEENTH
ANNUAL-REPORT
2009-2010**

• MORE COPIES BETTER COPIES •

• MORE COPIES BETTER COPIES •

Rathi Graphic Technologies Limited

• MORE COPIES BETTER COPIES •

• MORE COPIES BETTER COPIES •

BOARD OF DIRECTORS :

1. Sh. Raj Kumar Rathi Managing Director
2. Sh. Sandesh Jain Non Executive Independent Director
3. Sh. Adarsh Kr. Aggarwal Non Executive Independent Director
4. Sh. Anurag Yadav Non Executive Independent Director
5. Sh. Vinod Somani Additional Director

COMPANY SECRETARY :

Sh. Sandeep Kumar

AUDITORS :

M/s. A.K.Maheshwari & Associates
Chartered Accountants
4G, 4th Floor, Uppal, M-6 Plaza,
Jasola District Centre, New Delhi-110025

BANKER :

State Bank of Bikaner & Jaipur
Chandni Chowk
Delhi-110006

REGISTERED OFFICE :

A-3, Industrial Area,
South of G.T. Road,
Ghaziabad (U.P.)
Ph: (0120) 2840346-51
Fax: (0120) 2840352-53

**CORPORATE & MARKETING :
OFFICE**

24/1A Mohan Cooperative Industrial Estate,
Mathura Road, New Delhi-110044
Ph. 011-45002400
Fax. 011-26991061

WORKS :

SP-921, RILCO Industrial Area
Phase - II, Bhiwadi, Distt. Alwar
(Rajasthan) (INDIA)

**REGISTRAR & SHARE
TRANSFER AGENT :**

MAS Services Ltd.
T-34, 2nd Floor,
Okhla Industrial Area
Phase II, New Delhi-110020
Phone : 011-26387281/82/83
Fax : 011-26387384

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the members of Rathi Graphic Technologies Limited will be held on Tuesday, the 28th day of September 2010 at 10.00 a.m. at A - 3, Industrial Area, South of G.T. Road, Ghaziabad, (U.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010, and the Profit and Loss Account for the year ended on that date together with the Report of Director's and Auditor's thereon.
2. To appoint a director in the place of Shri Anurag Yadav, who retires by rotation and being eligible, offer himself for reappointment.
3. To appoint M/s A. K. Maheshwari & Associates as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution with or without modification if any, as a special resolution:

"RESOLVED THAT in accordance with the provisions of the sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the companies Act, 1956, the consent of the members be and is hereby accorded to the payment of revised salary of Rs. 2,40,000/- per month including perquisites and allowance such as furnished accommodation or house rent and maintenance allowance together with reimbursement of expenses such as gas, electricity, water, furnishings, repairs, servants, club fees, leave travel concession/allowance for himself and his family, use of car with driver, Telephone at residence, Medical expenses incurred for self and family members and Hospitalization reimbursement to Shri Raj Kumar Rathi, Managing Director w.e.f. 1st January 2010 with liberty to the Board of Directors to alter or vary from time to time, such terms including increase in the remuneration, payable as may be considered expedient and agreed by Mr. Raj Kumar Rathi within the limitation contained in schedule XIII of the companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration, fix the perquisites and other allowances within the prescribed limit of ceiling specified in schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, if any consider necessary, expedient or desirable, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to

be in the best interest of the Company."

5. To consider and if thought fit, to pass the following resolution with or without modification if any, as a ordinary resolution:

"RESOLVED THAT in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any other statutory modification(s) or re-enactment thereof, Shri Vinod Somani, who was appointed as an Additional Director pursuant to provisions of Section of 260 of the Companies Act, 1956 and Article 89 of the Articles of Association of the Company, be and is hereby appointed as a Director liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors

Dated: 14-09-2010
Place: New Delhi

Sandeep Kumar
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS (48 HOURS) BEFORE THE COMMENCEMENT OF THE MEETING. A FORM OF PROXY AND ADMISSION SLIP IS ENCLOSED.
2. Members are requested to bring their copy of the Annual Report along with the duly filled attendance slip.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing representative to attend and vote on their behalf at the Annual General Meeting.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies act, 1956, relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Shareholders holding in Electronic form are requested to bring their Client ID and DPID at the meeting for easy identification.
7. The Register of Member and Share Transfer Books of the Company will remain closed from 25th September 2010 to 28th September 2010 (both days inclusive).

8. The members who are interested to avail of nomination facility may obtain the necessary application Form from Registrar & Share Transfer Agent.
9. All correspondence relating to the transfer and transmission, sub-division of shares, issue of duplicate shares certificates, change of address, dematerialization of shares etc. will be attended at the Registered office of the company and shall be processed at the office of Registrar & share Transfer agent.
10. Documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days between 10.00 a.m. to 1.00 p.m. prior to the Annual General Meeting.
11. Members desirous of obtaining any information/ clarification(s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of the meeting to Company Secretary at the registered office of the Company, so that the same may be attended to appropriately.
12. Annual listing fee for the year 2010-11 has been paid to the stock Exchanges wherein Shares are listed.
13. In terms of Section 109A of the Companies Act, 1956, nomination facility is available to individual shareholders. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares singly are advised to avail of the nomination facility by filling Form no. 2B in their own interest. Members holding shares in dematerialized form may contract their respective DPs for registration of nomination.
14. Members holding physical Shares in multiple folios in identical names are requested to send their share certificates to Company's Registrar and Share Transfer Agent, MAS Services Limited for consolidation.

By order of the Board of Directors

Date: 14-08-2010 Sandeep Kumar
Place: New Delhi Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4

Shri Raj Kumar Rathi was re-appointed as Managing Director of the Company w.e.f 1st April, 2007 on the monthly remuneration of Rs. 1,50,000/- per month. His remuneration was increased to Rs. 2,00,000/- per month in 15th Annual General Meeting of the members of the Company held on 12th September 2008. Shri Raj Kumar Rathi, is looking after all the manufacturing activities of the plant situated at Bhiwadi (Rajasthan) and head office administration at New Delhi. Shri Raj Kumar Rathi possesses vast and rich experience in

toner industry with expertise in business development. Looking into the expanded business activities, and his contribution in the growth and success of the Company, the Remuneration Committee of the Board, in its meeting held on 30th January 2010, has considered that the remuneration being paid to Shri Raj Kumar Rathi is inadequate and recommended for increase in his remuneration.

Looking into his involvement and whole efforts for the growth and success of the Company, the Board recommend for approval for revision in the remuneration payable to Shri Raj Kumar Rathi as proposed in item No.4 of the notice by way of special resolution.

A statement as required under the first proviso (sub-clause (iv) of Clause (B) of section 11 of Part II of Schedule XIII of the Companies Act, 1956 is as follows :

General Information:

The industry falls under the Ministry of Chemicals and Petro- Chemicals and is engaged in the manufacture of compatible black toners for photocopiers, laser printers, Digital Machines and Multi Function Printers.

The Company started its commercial production in July 1995. During the current year, the company has achieved turnover of Rs. 1978.46 Lacs and has reported Profit after tax of Rs.128.81Lacs.

Information about the Appointee:

Shri Raj Kumar Rathi, aged 56 years, has a career span of 32 years in the field of production, planning, procurement, finance etc. He is a qualified graduate and has a vast experience in Iron and Steel Industry too. He monitors day to day affairs of the Company. His expertise lies in the sales and marketing strategy. He has been on the Board of Directors since inception. His major part of business activities had been either to manage steel rolling mills, electric arc furnaces and induction furnaces. His venture into Black Toner manufacturing was a part of his ever seeking attitude into the area of business activities. He was re-appointed as Managing Director of the Company for the period of five year with effect from 01st April, 2007. The remuneration payable to Shri Raj Kumar Rathi is given in the resolution. Looking into the expanded business activities and his contribution in the growth and success of the Company the revised remuneration is proposed.

Disclosures:

The remuneration payable to Shri Raj Kumar Rathi as Managing Director will comprise of salary, perquisites and allowances as mention in the Resolution No. 4 of the accompanying Notice of the Annual General meeting. Perquisites and allowances includes furnished accommodation or house rent and maintenance allowance together with reimbursement of expenses such as gas, electricity, water, furnishings, repairs, servants, club fees, leave travel concessory allowance for himself and his family, use of car with driver, telephone at residence, medical expenses

incurred for self and family members and hospitalization reimbursement.

Except Shri Raj Kumar Rathi, Managing Director of the Company, none of the directors is interested or concerned in this resolution.

This explanatory statement may be treated as the abstract and memorandum under section 302 of the companies Act, 1956

ITEM NO. 8

The Board of Directors of the Company (the 'Board'), at its meeting held on August 14, 2010 appointed Shri Vinod Somani as an additional director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 (the 'Act') read with Article 89 of the Articles of Association of the Company.

In terms of provisions of Section 260 of the Act, Shri Vinod Somani would hold office upto the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith deposit of Rs. 500/- for proposing the candidature of Shri Vinod Somani for the office of Director of the Company under the provisions of Section 257 of the Act.

Shri Vinod Somani is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Act. The Company has received the requisite Form 'DD-A' from Shri Vinod Somani, in terms of the Companies (Disqualification of Directors under section 274(1)(g) of the Companies Act, 1956) Rules, 2008, confirming his eligibility for such appointment.

Shri Vinod Somani is interested in the Resolution as set out at Item No. 5 of the notice which pertains to his appointment. Save and except Shri Vinod Somani, none of the other Directors of the Company is, in any way, concerned or interested in the Resolution.

The Board commends the Resolution as set out at Item No. 5 of the Notice for your approval.

By order of the Board of Directors

Regd. Office:
A-3, Industrial Area,
South of G. T. Road
Ghaziabad- 201009
Uttar Pradesh

Sandeep Kumar
Company Secretary

Place: New Delhi
Date: 14-08-2010

**DIRECTOR'S REPORT
TO THE MEMBERS**

Your Directors have pleasure in presenting the 17th Annual Report together with the audited Accounts of the company for the year ended 31st March, 2010.

FINANCIAL RESULTS (In Rupees)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Turnover	197745732	170963807
Profit/(Loss) before Interest & depreciation	32992525	27517854
Interest & Depreciation	18833099	17727237
Profit/(Loss) before tax	14359426	9790417
Net Profit/(Loss)	12890809	7622420

DIVIDEND

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

OPERATING RESULTS

During the year under review, your company has achieved a turnover of Rs. 1977.46 Lacs as against Rs. 1705.80 Lacs during previous year. Also, during the Year, your Company has put in a concerted effort towards increasing efficiency and product development, product quality, product branding to increase the market reach. Profit after Tax has been increased to Rs. 128.91 Lacs as against Rs. 75.22 Lacs of previous year. The Company is hopeful in achieving much better performance in the current year.

The Consolidated financial results during the year including that of 100% Subsidiary Company is as follows:

Sales:	14718.82 Lacs
Profit before Tax	368.06 Lacs
Profit after Tax	236.70 Lacs

FUTURE OUTLOOK

Your Company has developed new quality products at competitive prices to face the global competition and to tap the fast growing market of Laser toners.

The fluctuation in foreign currency and tough competition in the international market will continue to be a challenge but your Company foresees better sales turnover and increased demand of its quality products.

SUBSIDIARY COMPANY

Rathi Rajasthan Steel Mills Limited (RRSML) a 100% subsidiary of your Company has set up steel plant at Plot No. BP 293-296 Phase 4, Chopanki, Bhiwadi Industrial Area, Rajasthan to manufacture CTD/TMT bars with an installed Capacity of 75000 TPA. RRSML has already started Commercial Production in May 2009 and has given satisfactory results which are attached to this annual report.

PUBLIC DEPOSITS

The company has not invited or accepted any deposits

during the year from the public under Section 58A of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, the period of office of Shri Anurag Yadav is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Shri Anurag Yadav joined as a director on the Board on 27th March, 2006. He is a Law Graduate from Delhi University. He is a member of Delhi High Court Bar Association, Delhi Bar Association and New Delhi Bar Association. He specializes in Intellectual Property Rights.

Mr. Vinod Somani has been appointed as an Additional Director of the Company in the meeting of Board of Directors held on 14th August 2010. Since his period of office is only upto the commencement of ensuing Annual General Meeting of the Company, he needs to be regularized as a director in the ensuing Annual General Meeting. He is a practicing Chartered Accountant having more than 25 years of experience in the field of accounting, auditing, taxation matters and management consultancy.

AUDITORS

M/s A. K. Maheshwari & Associates, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letters from M/s A. K. Maheshwari & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956, and that they are not disqualified for such appointment within the meaning of section 228 of the Companies Act, 1956.

NOTES ON ACCOUNTS

The notes to the accounts referred to by the Auditors in their report are self-explanatory and may be treated as information/explanation submitted by the board as contemplated under Section 217(3) of the Companies Act 1956.

PARTICULARS OF EMPLOYEES

During the year under review, Shri Raj Kumar Rathi, Managing Director of the Company is the only person who falls under the terms of Section 217(2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Clause 32 and 60 of the Listing Agreement, Your Company has prepared Consolidated Financial Statements as per the Accounting Standards applicable to the Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. Audited Consolidated Financial Statements along with the Auditor's Report are annexed with this Report.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company has a continuous monitoring system to minimize the energy consumption per unit of toner manufacturing. The particulars relating to energy conservation, technology absorption, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in the Annexure - I to this Report.

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

FOREIGN EXCHANGE EARNINGS & OUTGO

During the year under review, the Company has earned foreign exchange of Rs. Nil (Previous year Nil) and the company has utilized foreign exchange of Rs. 8,56,88,289/- (Previous Year Rs.6,88,88,741/-).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Sub-Section (2AA) of Section 217 of the Companies Act, 1956 with respect to Directors' Responsibility Statement, your Directors confirm;

- i) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed.
- ii) That your company had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year as on 31st March, 2010 and of the profit & loss account of the company for that period.
- iii) That your company had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) That the accounts of your company have been prepared on going concern basis.

LISTING OF SHARES

The equity shares of the company are presently listed at The Bombay Stock Exchange Ltd (BSE). The company has duly paid the listing fees to the exchanges.

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance as stipulated under Clause 4B of the Listing Agreement with stock exchanges, form part of the Annual Report.

A certificate from the Auditors of the Company M/S A. K. Maheshwari & Associates, Chartered Accountants, confirming compliance with conditions of Corporate

Governance as stipulated under the aforesaid clause 4B, is annexed to this Report.

INDUSTRIAL RELATIONS

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

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers, regulatory bodies and other business constituents during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance during the year.

For and on behalf of the Board

Raj Kumar Rathi
Managing Director

Sandeep Jain
Director

Place: New Delhi
Dated: 14-08-2010

ANNEXURE-I

Form - A

Form for disclosure of particulars with respect to conservation of energy

Part - A

S.No.	Particulars	Current Year	Previous Year
	Power & Fuel Consumption		
1	Electricity Purchased (Units/KWh)	86525	770130
	Total Cost (Rs.)	8028771	8428890
	Per Unit (Rs.)	7.18	7.04

Part - B

Consumption per Unit of Production

(In Rs.)

Product	Electricity (KWH)	
	Current Year	Previous Year
Toners & Developers (per Kg.)	14.13	15.33

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 4B OF THE LISTING

As provided under clause 4B of the Listing Agreement with the Stock Exchange, the Board members and the senior Management Personnel have confirmed compliance with the Code of Conduct laid down by the Company for the year ended 31st March, 2010.

Raj Kumar Rathi
Managing Director

Place: New Delhi
Dated: 14-08-2010

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2009-10 (in accordance with clause 49 of the Listing Agreement entered into with Stock Exchange)

Corporate governance is commonly referred to as a system by which organizations are directed and controlled. It is the process by which Company objective are established, achieved and monitored. Corporate governance is a reflection of the Company's culture, policies, relationship with stakeholders, commitment to values and ethical business conduct.

1. CORPORATE GOVERNANCE PHILOSOPHY AND PRACTICE

Your Company reaffirms its commitment to the good corporate Governance Practices. Company's philosophy of good Corporate Governance is reflected in commitment to achieve a balance between Stakeholder's interest and corporate goals through the efficient conduct of its business guided by transparency, accountability and integrity. The Company provides detailed information to shareholders on various issues concerning the Company's business and financial performance.

Accordingly the following information is provided for the information of stakeholders and public at large.

2. Board of Directors

The composition of the Board is in total conformity with clause 49 of the Listing Agreement, as amended from time to time. The Board of Directors of the company comprises of distinguished personalities, who have acknowledged in their respective fields. Three out of the Four Directors on the Board as on date, are independent and non-executive. All Independent Directors comply with the requirements of the Listing Agreement for being an independent Director and have also affirmed to this effect.

None of the directors hold directorships in more than the permissible number of Companies under the applicable provisions. Similarly, none of the directors on the board's committees hold membership of more than ten committees of boards, nor is any director a chairman of more than five committees of boards. The detailed agenda papers containing all information

Name	Designation	Category	No of Board meetings attended during the year	Whether attended AGM held on 29 th Sep. 2009	No of directorships in Other Public Companies	No. of committee positions held in other Public Companies *	
						Chairman	Member
Sh. Raj Kumar Rathi	Managing Director	Executive & non-independent (promoter)	7	Yes	2	Nil	Nil
Sh. Sandesh Jain	Director	Non Executive & Independent	7	Yes	1	2	1
Sh. Adarsh Agarwal	Director	Non Executive & Independent	7	No	Nil	Nil	Nil
Sh. Anurag Yadav	Director	Non Executive & Independent	7	No	Nil	Nil	Nil

*Represents Chairmanships/Memberships of Audit Committee, Shareholder's/ Investor's Grievance Committee and Remuneration Committee.

Notes:

- None of the directors is related to any other director.
- None of the directors has any business relationship with the Company.
- None of the directors received any loans and advances from the Company during the year.
- The information as required under Annexure IA to clause 49 is being made available to the Board.
- The Company did not have any pecuniary relationship or transactions with non-executive directors during 2009-10.
- Seven Board Meetings were held during the year 2009-10 and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held were as follows:

29/04/2009, 30/07/2009, 04/09/2009, 31/10/2009, 07/12/2009, 30/01/2010, 22/03/2010

Directors whose period of office is liable to retire by rotation and being eligible have offered themselves for reappointment

Shri Anurag Yadav is an Advocate. He is a member of Delhi High Court Bar Association, Delhi Bar Association and New Delhi Bar Association. He specializes in Intellectual Property Rights.

relevant for discussion at the meeting are sent to the Directors in advance so that each director has enough time to prepare himself for a meaningful discussion at the Board meetings. Beside the business items the agenda includes the items required to be considered by the Board of Directors as per the Listing Agreement. The following table summarizes the status of each Director, meeting attended by them and other relevant particulars.

3. AUDIT COMMITTEE

The Company had constituted an Audit Committee in the year 2003. All members of the Committee are financial literate within the meaning of the Clause 49 of the listing agreement. Shri Sandesh Jain chairman

Name	Name of Member	Category	No. of meeting attended during the year 2009-10
1	Sh. Raj Kumar Rathi	Executive & non-independent (promoter)	5
2	Sh. Sandesh Jain	Non Executive & Independent	5
3	Sh. Anurag Yadav	Non Executive & Independent	5

of the Committee was present at the last Annual General Meeting to answer the queries of the Shareholders. The Scope of the activities of the Audit Committee is as set out in clause 49 of the Listing Agreements with the Stock exchanges read with Section 292A of the Companies Act, 1956.

The composition of the Audit committee and the details of meetings attended by the Directors are given below. Four Audit Committee Meetings were held during 2009-10. The dates on which the said meetings were held were as follows:

29/04/2009, 30/07/2009, 04/09/2009, 31/10/2009 and 30/01/2010

The necessary quorum was present at all the meetings.

4. Remuneration Committee

The Remuneration Committee, entirely composed of independent Directors and presently the committee consists of Sh. Sandesh Jain, Sh. Anurag Yadav and Sh. Adarsh Kumar Aggarwal reviews the performance of the executive Director and senior executives one level below the Board, and senior executives one level below the Board, and also review the remuneration package offered by the Company to different grades/levels of its employees. While reviewing the remuneration of senior management personnel, the committee takes into account the following:

Financial position of the company
Trend in the industry
Appointee's qualifications and experience
Past performance
Past remuneration etc.

No. of meetings held during the financial year 2009-10. One (30/01/2010)

Brief description of terms of reference
The terms of reference of the remuneration committee are as per clause 49 of the Listing Agreement. Details of remuneration to the Managing Director during the year 2009-10

(Amount in Rs.)
(a) Sh. Raj Kumar Rathi 25,20,000
(b) Period of contract of MD: 5 year

Details of shares of the Company held by the Directors as on March 31, 2010 are as follows.

Name	No. of Shares
Sh. Raj Kumar Rathi	2589531

Shareholders/Investor Grievance Committee

The Company has a committee to specifically look into the redressal of shareholders grievance relating to transfers, transmissions, issue of duplicate share certificate and all the other matters concerning Shareholders complaints. Presently the committee consists of Sh. Raj Kumar Rathi, Managing Director and two non-executive directors viz. Sh. Sandesh Jain and Sh. Anurag Yadav. The board has delegated the power of Share Transfer to the Company's Registrar & Share transfer Agents, who process the

transfers, in respect of physical and shares under Demat. All transfers completed within 15 days of receipt, if the documents were found valid in all respects. Shri Sandeep Kumar, Company secretary is the Compliance Officer. No. of meeting held during the financial year 2009-10: Four
Details of Complaint received and redressed

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	01	01	Nil

General Body Meetings

No. of AGM	Year Ended	Venue	Date & Time
13 th AGM	31.03.2006	A-3, Industrial Area, South of G. T. Road, Ghaziabad, 201009	07.06.2006 at 10.00 A.M.
14 th AGM	31.03.2007	A-3, Industrial Area, South of G. T. Road, Ghaziabad, 201009	25.06.2007 at 10.00 A.M.
15 th AGM	31.03.2008	A-3, Industrial Area, South of G. T. Road, Ghaziabad, 201009	12.09.2008 at 10.00 A. M.
16 th AGM	31.03.2009	A-3, Industrial Area, South of G. T. Road, Ghaziabad, 201009	29.09.2009 at 10.00 A. M.

Postal Ballot

No Postal Ballot was conducted during the year

Secretarial Audit

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

A certificate from the Statutory Auditors of the company on corporate Governance is attached as an annexure to the report.

MEANS OF COMMUNICATION

The Annual, half yearly and quarterly results are communicated to Stock Exchange, where the Company's shares are listed, immediately after the same are taken on record/approved by the Board. Further the said results are also published in newspapers which include, the Pioneer, Veeer Arjun.

A Management Discussion and Analysis Statement is part of this report.

General Shareholders Information

The next Annual general Meeting is scheduled to be held at A-3, Industrial Area, South of G. T. Road, Ghaziabad (U.P.) on Tuesday the 28th day of September, 2010 at 10.00 A. M.

Financial Calendar for 2010-11

Ist Quarterly results - on or before 14th August, 2010
IInd Quarterly results - on or before 16th November, 2010
IInd Quarterly results - on or before 16th February, 2011
IVth Quarterly results - on or before 15th May, 2011

Book Closure Date

Date of Book Closure from 25.02.2010 to 26.02.2009 (both days inclusive)

CEO/CFO Certifications

We certify to the Board that:

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

(Sh. Raj Kumar Rath)
 Managing Director

(S. Biswas)
 Chief Financial Officer

Place: New Delhi
 Date: 14.08.2010

MANAGEMENT DISCUSSION & ANALYSIS

FORWARD LOOKING STATEMENTS

This Report contains forward looking statements, the Company's objectives, projections, estimates, expectations, Forward looking statements are based on certain assumptions and expectations of future events. The Company assumes no responsibility for accuracy and realization of these assumptions and expectations. Actual results could differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events.

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

TRAPPING BUSINESS OPPORTUNITIES

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

THREAT AND CHALLENGES

COMPETITION

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

INFLATION

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

FINANCIAL MANAGEMENT

Fund Management is crucial and important for the Company's growth. The financial system of the organization is responsible for the management of funds. The Company's financial management has held it in good stead over the year and has given it the unbeatable reputation of being one of the most profitable toner manufacturing company in the Country. The Company had initiated moves in its right earnest for repaying and swapping the high interest borrowing with low interest rate funds.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

Dividend – Nil**Listing on Stock Exchange:**

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

Company Stock Code:

Bombay Stock Exchange Limited **524510**

Market Price Data (BSE) for the year 2009-10

Month & Year	High (Rs.)	Low (Rs.)	Volume	No.
April, 2009	9.70	7.51	6503	
May, 2009	12.50	7.65	36688	
June, 2009	12.14	9.42	59434	
July, 2009	11.50	7.51	21047	
August, 2009	10.90	7.75	33222	
September, 2009	11.70	8.00	32770	
October, 2009	11.43	9.00	21834	
November, 2009	11.10	7.61	61401	
December, 2009	12.35	6.71	50369	
January, 2010	13.25	8.55	62160	
February, 2010	11.50	8.28	12089	
March, 2010	10.90	7.71	28264	

Distribution of Shareholding as at 31st March, 2010

Category	Share Nos.	Percentage	Shareholder No.	Percentage
1 to 5000	118960	6.97	567	89.69
5001 to 10000	289999	1.82	329	5.02
10001 to 20000	209804	1.454	129	1.99
20001 to 30000	149573	1.052	95	1.45
30001 to 40000	69137	0.468	60	0.90
40001 to 50000	12905	0.090	26	0.39
50001 to 100000	319876	2.252	43	0.65
100001 and above	1164306	63.337	61	0.93
Total	1682008	100.00	640	100.000

Categories of Shareholding as on 31st March, 2010

Category	No. of Shares	Percent
Promoters & Relatives	5245012	37.63
Mutual Funds	19000	0.14
Foreign Investors	324592	2.34
Bodies Corporate	5162437	37.13
Individuals	3162891	22.58
NRI's/QCBs	1901	0.01
Clearing Members	23167	0.17
Total	13939080	100

Share Transfer System

Share Transfers in physical form can be lodged with the R & T agents of Company. The transfers are normally processed within the stipulated period, if the documents are complete in all respects. The Shareholders/Investor Grievance Committee is empowered to approve the share transfers.

Registrar and Transfer Agents

The share Transfer Agent for equity shares of the Company both for electronic and physical segment is M/S MAS Services Limited, T-34, 11th Floor, Okhla Industrial Area, Phase II, New Delhi – 110020, Phone: 011-26387281/82/83, Fax : 011-26387384, Email: info@masserv.com

Dematerialization of shares

The Company has tied up with the National Securities Depository Limited and Central Depository Services India Limited and the ISIN No. allotted to equity shares of the Company is INE 866C01010. The demat/normal requests

are processed within 15 days of the receipt of request, provided they are complete in all respects. As of the end of March 2010, shares comprising approximately 61.42 % of company's equity share capital have been dematerialized.

Manufacturing Units

SP- 921, BICO Industrial Area,
 Phase – II, Bihedi
 Dist. Alwar, Rajasthan

Address for Correspondence

24/1A, Mohan Cooperative Industrial Estate
 Mathura Road, New Delhi – 110044
 Phone No: 011- 40612425/29/27/28, 011-45002400
 Email: investor@raihitoner.com

Contact Person

Mr. Sandeep Kumar (Company Secretary and Compliance Officer).

The above report was placed before the Board and approved at its meeting held on 14th day of August, 2010.

Certificate of Compliance of Corporate Governance To,

The members of Raihi Graphic technologies Limited
 We have examined the Compliance of Corporate Governance by Raihi Graphic Technologies Limited for the year ended on 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchange.

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

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

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A. K. Maheshwari & associates
 Chartered Accountants

A. K. Maheshwari
 Proprietor

Place: New Delhi
 Dated: 14.08.2010

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

HUMAN RELATIONS

The Company successfully met the challenges of its business environment due to dedication, competence and commitment displayed by its employees. The human resource function and initiatives of the Company are driven by strong set of values, policies and philosophy. Performance orientation and ethics are the cornerstones of our human resource philosophy. Relations between employees and management have remained cordial through out the year. Initiatives are being taken to enhance the productivity of employees. The Company appreciates the contribution made by all employees in ensuring better performance and achievements during the year. The

Company continued to implement best practices and innovative initiatives to meet the challenges of acquiring and retaining talent against intense competitive pressures. The Company continued to place emphasis on training, skills enhancement and competency development of its people for meeting future challenges. The Company sustained its emphasis on imparting required training to its employees.

CAUTIONARY STATEMENT

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

AUDITOR'S REPORT

The Members of
Rathi Graphic Technologies Limited

1. We have audited the attached Balance Sheet of as at 31st March, 2010 and also the Profit and Loss Account of the company and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditor's Report) Order, 2003 (as amended) from time to time issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and the explanation, 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 books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors of the Company as at 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March, 31, 2010 from being appointed as director of the Company under Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes forming part of the accounts, give the information required

by the Companies Act, 1956 in the manner so required and give a true and fair view:-

- (1) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2010; and
- (2) In the case of the Profit and Loss Account of the profit of the Company for the year ended on that date.
- (3) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For A.K. Maheshwari & Associates
Chartered Accountants
Reg. No.- 500108N

(Anand Maheshwari)
Proprietor
M.No.073876

Place: New Delhi
Date: 14th August, 2010

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE ON THE ACCOUNT OF MRS. PATE GRAPHIC TECHNOLOGIES LIMITED FOR THE YEAR ENDED ON 31ST MARCH, 2010

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased periodic manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
c) There was no substantial disposal of fixed assets during the year.
2. a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year.
b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) The Company has maintained proper records of inventory. There were no material discrepancies noticed on physical verification.
3. a) According to the information and explanations given to us, no loans or advances in the nature of loans have been granted to the Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and no conditions have been stipulated as regards the payment of interest and repayment of principle amount. Accordingly, clause 11(b) to clause 11(d) are not applicable.
b) According to the information and explanations given to us, the Company has taken interest free unsecured loans from four parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amounts

outstanding during the year against the said loans were Rs. 1290.53 Lacs and the year end balance of loans received from such parties is Rs 1284.68 Lacs.

- c) In our opinion being interest free loan the terms and conditions on which loans have been taken from companies, firms or other parties listed in the registers maintained under Section 301 are not, prima facie, prejudicial to the interest of the Company.
- d) The principal amount is repayable on demand and there is no repayment schedule.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system of the Company.
5. As explained to us, there has not been any transaction during the year that need to be entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding during the year to Rs. 5,00,000/- or more in respect of each such party.
6. The Company has not accepted any deposits from the public and therefore, the directive issued by Reserve Bank of India and provisions of Section 58-A and 58AA or any other provisions of companies Act, 1956 and rules framed thereunder do not apply to the Company.
7. The Company has adequate Internal Audit system which in our opinion, is commensurate with the size of the company and nature of its business.
8. As informed to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any products of the Company.
9. a) According to information and explanations given to us, the Company is generally regular in deposits undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, etc etc which are outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, no undisputed statutory dues payable in respect of provident fund, investor education and protection fund, employees state insurance, Income Tax, Sales Tax, VAT, Wealth Tax, Custom Duty, Excise Duty, etc etc which are outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable.
- c) According to confirmations and explanations given to us there are no statutory dues outstanding on account of any dispute other than the followings:

Name of the statute	Nature of the dues	Amount (in Rs.)	Period to which amount relates	Forum where dispute is pending
Central Excise Authorities	Central Credit against Import of Capital Goods	12.81 Lacs	In the year 1965	The central Excise and Service Tax Appellate Tribunal
Sales Tax Authorities	Sales Tax Amount Paid in excess	31.55 Lacs	In the year 2003-04	Excess amount to be refund and same to be returned to customers.

10. The Company has no accumulated losses at the end of the year and it has not incurred cash losses during the current financial year and the immediately preceding financial year.
11. According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.
12. According to information and explanations given to us and based on documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a Gilt fund, Nidhi or mutual benefit society. Hence, the requirements of clause 4 (dii) of paragraph 4 of the Order is not applicable to the Company.
14. According to the information and explanations given to us, the company has given corporate guarantee to M/s. Rathi Rajasthan Steel Mills Limited for loans taken by others from bank or financial institutions.
15. As per the information and explanations given to us, the term loan has been applied for the purpose for which it is raised.
16. According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investment. Similarly, no funds raised on long-term basis have been used for short-term investment.
17. In our opinion and according to the information and explanations given to us, the Company is not dealer or trader in securities.
18. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investment. Hence paragraph no.XIV of the order is not applicable to the Company.
19. The Company has not issued any debentures during the year. Hence, the requirements of clause (ix) of paragraph 4 of the Order is not applicable to the Company.
20. During the year, the Company has forfeited 2161000 convertible share warrants due to non exercise of conversion option by the warrants holders.
21. According to the information and explanations given to us, a fraud on or by the Company has not been noticed or reported during the year.

For A.K. Maheshwari & Associates
Chartered Accountants
Reg. No. 500106N

(Anand Maheshwari)
Proprietor
M.No.073875

Place: New Delhi
Date: 14th August, 2010

RATHI GRAPHIC TECHNOLOGIES LIMITED
BALANCE SHEET AS AT 31st MARCH, 2010

(Amount in Rs.)

	SCHEDULE	AS AT	
		\$1.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	1	138390000	138390000
Share Warrants Accounts		0	6483000
Reserves & Surplus	2	106484831	97980829
LOAN FUNDS			
Secured Loans	3	74322949	77529388
UNSECURED LOANS			
From Corporates		128488040	57570040
From Bank		6358814	3780886
TOTAL		<u>456042734</u>	<u>382715143</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	204486789	202742732
Less Depreciation		72068250	65570803
Capital Work in Progress		4784718	4188007
Investment	8	188531928	110778430
CURRENT ASSETS, LOANS & ADVANCES			
i. Inventories	7	58686448	71332371
ii. Sundry Debtors	8	43331717	38057498
iii. Cash & Bank Balances	9	8018893	6780390
iv. Loans & Advances	10	24489483	23770215
		144538911	138030484
Less : Current Liabilities & Provisions	11	23558891	24300798
Net Current Assets		120977420	112829686
DEFERRED TAX ASSETS			
Opening Balance		7318533	788829
Add: Deferred Tax Assets / Liabilities Originated during the Period		852808	-571008
		8169439	7318533
MISCELLANEOUS EXPENDITURE	13	158050	225813
PROFIT & LOSS ACCOUNT		0	10426415
Significant Accounting Policies & Notes on Accounts	20		
TOTAL		<u>456042734</u>	<u>382715143</u>

As per our separate report of even date attached,

For A.K. Maheshwari & Associates

Chartered Accountants

Regn No. : 500106N

(Anand Maheshwari)

Proprietor

MLNo-073675

(Raj Kumar Rathi)
Managing Director

(Sandesh Jain)
Director

(S. Bhowas)
Chief Financial Officer

(Sandesh Kumar)
Company Secretary

Place : New Delhi

Date : 14th August, 2010

RATHI GRAPHIC TECHNOLOGIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 1.04.08 TO 31.03.2010

(Amount in Rs.)

SCHEDULE	For the year ended on 31.3.2010	For the year ended on 31.03.2009	
INCOME			
Gross Sales	14	197745732	170590262
Less : Excise Duty on Sales		15268715	19256639
Net Sales		182477017	151304723
Other Income	15	983486	363545
Increase / (Decrease) in Stock	12	7852	7561482
TOTAL		183468455	159229730
EXPENDITURE			
Raw Material & Manufacturing Expenses	16	113493358	97826082
Administrative & Selling Exp.	17	36916448	33618891
Miscellaneous Expenses Written Off	19	67123	87123
TOTAL		150475930	131712076
Operating Profit (before Interest & Depreciation)		32982525	27517854
Interest / Finance Charges	18	12137452	11714037
Profit before Depreciation & Tax (PBDT)		20855073	15803817
Depreciation		6495847	6013200
Profit Before Tax		14359426	9790417
Provision for Income Tax		2440384	1008413
Provision for FBT		0	708647
Excess/Short Provision made in last year		0	33788
Revaluation Reserve- Building written back		245764	0
Provision for Deferred Tax (Liability)/Assets		852906	-571988
Provision for Wealth Tax		4431	11729
Net Profit after Tax		13014201	7522420
(Loss) Brought Forward from Last Year		(10426415)	(17948835)
Earning per share		0.93	0.54
Significant Accounting Policies & Notes on Accounts	20		
Balance Carried Over		2687786	(10426415)
As per our separate report of even date attached.			

For A. K. Maheshwari & Associates
Chartered Accountants
Regn No. : 500106N

(Anand Maheshwari)
Proprietor
M. No. 073875

(Raj Kumar Rathi)
Managing Director

(Sandeep Jain)
Director

(S. Baweja)
Chief Financial Officer

(Sandeep Kumar)
Company Secretary

Place : New Delhi
Date : 14th August, 2010

RATHI GRAPHIC TECHNOLOGIES LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

(Amount in Rs.)

	AS AT 31.03.2019	AS AT 31.03.2008
SCHEDULE-01		
SHARE CAPITAL		
AUTHORISED		
18500000 Equity share of Rs. 10/- each (Previous year 18500000 Equity share of Rs. 10/- each)	185000000	185000000
ISSUED, SUBSCRIBED, CALLED & PAID UP		
13939000 Equity Shares of Rs. 10/- each called & fully paid up (Previous year 13939000 Equity share of Rs. 10/- each Called & fully paid up)	139390000	139390000
	<u>139390000</u>	<u>139390000</u>
SCHEDULE-02		
RESERVES & SURPLUS		
Profit and Loss account	2587788	0
Share Premium	28916000	26916000
Forfeiture	8483000	0
Revaluation Reserve-Land& Building	70496045	70744929
	<u>106494831</u>	<u>97660829</u>
SCHEDULE-03		
LOAN FUNDS		
SECURED LOANS		
Term Loan - II from SBI	8076873	12117575
Term Loan - IV from SBI	3106700	4308723
Working Capital from State Bank of Bikaner & Jaipur	59320233	47814403
Working Capital - SBI from State Bank of Bikaner & Jaipur	0	6616391
KICCI Bank	3904029	4610435
HDFC Bank	1513014	1858861
	<u>74322949</u>	<u>77529388</u>
Notes:		
1. The Term loan II & IV and working capital loan from State Bank of Bikaner & Jaipur is covered by first hypothecation charge by covering entire Current Assets (present and future), Collateral Security by extending charge over fixed assets and by way of hypothecation of entire movable fixed assets and equitable mortgage of factory Land and Building.		
2. The Term Loan and Working Capital loan are further secured by personal guarantee of one director and his one relative.		
3. Loan from KICCI Bank and HDFC Bank is secured against hypothecation of cars.		
SCHEDULE-04		
UNSECURED LOAN FUNDS		
From Bank		
ABN AMRO Bank	2328857	0
Kotak Mahindra Bank Ltd.	1886891	2796227
Kotak Mahindra Prime Ltd	355594	964759
Magma Fincorp Ltd	1789472	0
	<u>8356814</u>	<u>3760896</u>
From Corporates & Others		
Alpha Stocks Fin Services (P) Ltd.	58920100	31788000
Anirudh Casting Private Limited	89940	89940
Rathi Electrosteel Limited	2575000	2675000
Shank Packaging (I) Pvt. Ltd.	88906000	23421000
	<u>128496040</u>	<u>57870940</u>

RATHI GRAPHIC TECHNOLOGIES LIMITED

SCHEDULE-02

FIXED ASSETS

(Amount in Rs.)

ASSETS	G R O S S B L O C K			D E P R E C I A T I O N				N E T B L O C K		
	As at 01.04.2009	Addition	Adjustment / Deposal	As at 31.03.2010	UPTO 31.03.2009	For the Period	Dep. Adjusted	TOTAL 31.03.2010	As at 31.03.2010	As at 31.03.2009
Lease Hold Land	71400000			71400000	0	0	0	0	71400000	71400000
Factory Building	38237274			38237274	15281523	1277126	0	16598648	21689226	22845751
Plant & Machinery	88838037	288582		89084619	42285382	3271458	0	45536818	22527801	28402875
Electric Installation	3808870	68143		3876813	2636575	183133	0	2819708	1057105	1172886
Vehicle	11021576	274570		11298146	1828273	1088286	0	2897558	8288588	9082803
Tubewell	115941			115941	58928	3872	0	60788	55143	58015
Furniture & Fixture	4342824	710745		5053569	1922500	291301	0	1613701	8438668	3820024
Office Equipment	3762302	254797		4017099	1335781	182811	0	1518592	2498407	2428621
Computers	1278856	39200		1318056	863815	212581	0	676506	442360	615741
Tools & Dies	106772			106772	80747	5072	0	75818	32853	38025
Total	202742732	1744037	0	204486769	68870803	6488417	0	72068250	132490639	137172148
Previous Year ended on 31.03.2009	183025421	8717331	0	202742732	68567402	6013200	0	68570603	137172148	134018838

RATHI GRAPHIC TECHNOLOGIES LIMITED

(Amount in Rs.)

AS AT 31.03.2010	AS AT 31.03.2009
INVESTMENTS	
<p>A. Current (at Cost) Rathi Steel and Power Limited (29811 Share @ Rs. 50 per share) 1245550</p> <p>B. Unquoted (at Cost) Rathi Rajasthan Steel Mills Limited 55500000 54,00,000 Equity Shares of Rs. 10/- each (Previous Year) 54,00,000 Equity Shares of Rs. 10/- each</p> <p>Rathi Rajasthan Steel Mills Limited 2261200 Equity Shares of Rs.50/- each Inclusive of Premium of Rs.40/- each (Nil)</p> <p>C. Immoveable Properties : Residential Flat 367400 Investment in Subsidiary Company 18359878</p>	<p>1245550</p> <p>55500000</p> <p>113060000</p> <p>367400</p> <p>18359878</p> <p>188931928</p>
INVENTORIES (The value, valued & Certified by the Management)	
<p>Raw material 25612075</p> <p>Finished Goods 24551584</p> <p>Stores & Spares 3639020</p> <p>Fuel/Oil 66906</p> <p>Packing Material 3207882</p> <p>Work in Progress 8915748</p> <p>Scrap 197000</p> <p>Spare parts 2599235</p>	<p>25612075</p> <p>24551584</p> <p>3639020</p> <p>66906</p> <p>3207882</p> <p>8915748</p> <p>197000</p> <p>2599235</p> <p>6666648</p>
DEBITORS Debts outstanding for more than six months Unsecured but considered good 3489678	
CASH & BANK BALANCES	
<p>Cash in Hand 5089001</p> <p>Balance with scheduled Bank 945915</p> <p>In Current Accounts 2009747</p> <p>In Money Market Accounts 8018663</p>	<p>5089001</p> <p>945915</p> <p>2009747</p> <p>8018663</p>
LOANS & ADVANCES (Unsecured & Considered good) Advances Recoverable in Cash or in kind or for value to be received Movable Recoverable 8794254	
<p>Advances paid to Suppliers & Others 10401682</p> <p>Security Deposits - Office & Others 1645755</p> <p>Prepaid Expenses 234587</p> <p>Advance Tax Paid 100000</p> <p>Tax Deducted at Source 78786</p>	<p>8794254</p> <p>148903</p> <p>3154406</p> <p>10401682</p> <p>1645755</p> <p>234587</p> <p>100000</p> <p>78786</p> <p>24489483</p>
SCHEDULE-16	
<p>4156879</p> <p>675976</p> <p>3281290</p> <p>10618492</p> <p>1489207</p> <p>270367</p> <p>0</p> <p>27306</p> <p>20770215</p>	<p>4156879</p> <p>675976</p> <p>3281290</p> <p>10618492</p> <p>1489207</p> <p>270367</p> <p>0</p> <p>27306</p> <p>20770215</p>
SCHEDULE-17	
<p>26677120</p> <p>24766298</p> <p>2004536</p> <p>41888</p> <p>3885387</p> <p>8991090</p> <p>197000</p> <p>3046962</p> <p>71932371</p>	<p>26677120</p> <p>24766298</p> <p>2004536</p> <p>41888</p> <p>3885387</p> <p>8991090</p> <p>197000</p> <p>3046962</p> <p>71932371</p>
SCHEDULE-18	
<p>1245550</p> <p>55500000</p> <p>0</p> <p>367400</p> <p>89683480</p> <p>110778430</p>	<p>1245550</p> <p>55500000</p> <p>0</p> <p>367400</p> <p>89683480</p> <p>110778430</p>
SCHEDULE-19	
<p>9760380</p> <p>4176488</p> <p>2182884</p>	<p>9760380</p> <p>4176488</p> <p>2182884</p>
SCHEDULE-20	
<p>24489483</p>	<p>24489483</p>

RATHI GRAPHIC TECHNOLOGIES LIMITED

(Amount in Rs.)

	AS AT 31.03.2010	AS AT 31.03.2009
CURRENT LIABILITIES & PROVISIONS		
SCHEDULE-11		
Current Liabilities		
Sundry Creditors-Raw Materials	7796214	11925476
Sundry Creditors-Expenses	8264872	6907680
Sundry Creditors-Others	9003446	2740082
Advance recd from Customer	1792357	16403
Security from Dealers	861000	1499000
Provisions		
Gratuity Bonus & Leave Encashment Payable	1396187	1324854
Provision for Income Tax - Income Tax & FBT (Ass. Yr. 2010-11)	2440384	908695
Provision for Wealth Tax (Ass. Year 2009-10)	4431	11729
	<u>23558891</u>	<u>24900769</u>
INCREASE/ DECREASE IN STOCK		
SCHEDULE 12		
Opening Stock of Finished goods	24768288	16937236
Opening Stock of Scrap	197000	197000
Opening Stock of Semi Finished Goods	6691090	6890680
	<u>33856378</u>	<u>26094916</u>
Closing Stock of Finished Goods	24551584	24768288
Closing Stock of Scrap	197000	197000
Closing stock of Semi Finished Goods	8816746	8891090
	<u>33864330</u>	<u>33856378</u>
Increase/ Decrease in Stock	7952	7681462
MISCELLANEOUS EXPENDITURE		
SCHEDULE-13		
(To the extent not written off or adjusted)		
Deferred Revenue Expenditure	67950	89709
Misc. Expenditure	80740	196110
	<u>158690</u>	<u>285819</u>
SALES		
SCHEDULE-14		
Sales - Manufacturing	197746732	170590282
Sales - Trading	0	0
	<u>197746732</u>	<u>170590282</u>
OTHER INCOME		
SCHEDULE-15		
Dividend	0	12456
Interest *	235823	290439
Miscellaneous Income	893199	3658
Previous Year Income	18860	68992
Written off	35804	0
	<u>893486</u>	<u>363545</u>

*Includes Tax Deducted at Source Rs.39740/- (Previous Year Rs.69525/-)

RATHI GRAPHIC TECHNOLOGIES LIMITED

(Amount in Rs.)

	For the year ended on 31.03.2010	For the year ended on 31.03.2009
RAW MATERIAL & MANUFACTURING EXPENSES		SCHEDULE-16
Raw Material Consumed	89252907	75023370
Power & Fuel	11296308	10853081
Wages, Salaries & Benefits	10066490	8994028
Employer Contribution to EPF	445088	391502
Employer Contribution to ESI	138777	126841
Freight & Cartage	241336	263236
Stores Consumed	178773	651847
Rates & Taxes	540032	819656
Insurance Premium	389125	391107
Repairs & Maintenance		
Building	216562	215838
Plant & Machinery	736543	196566
	<u>113493358</u>	<u>97826082</u>
ADMINISTRATIVE & SELLING EXPENSES		SCHEDULE-17
Director's Remuneration	2520000	2100000
Director's Sitting Fees	9000	9000
Donation	366370	1080718
Payment to Auditors:	120000	120000
- Audit Fees	100000	100000
- Tax Audit Fees	<u>20000</u>	<u>20000</u>
Cartage Outwards	2223198	1131071
Insurance Charges (Key Man Insurance for Managing Director)	807180	683375
Legal & Professional Expenses	858118	1823742
Fees & Subscriptions	385957	337786
Repairs & Maintenance-Other	1689618	1088503
Miscellaneous Expenses	679256	683511
Packing Material Consumed	4818028	3265553
Postage & Telegram, Telephone and Printing & Stationery Expenses	1534148	1288621
Rent	756352	626854
Research & Development Expenses	380	19845
Travelling & Conveyance Expenses	4938354	5756921
Previous Year Expenses	108808	461183
Advertisement and Selling Expenses	15394710	13806411
	<u>38915448</u>	<u>33918891</u>
INTEREST / FINANCE EXPENSES		SCHEDULE-18
Interest on Term Loan	1766034	2437740
Interest on Working Capital Loan	6714878	8250999
Bank Charges	888735	1819713
Interest on Car Loan	748981	688346
Interest on Unsecured Loan	1347633	544885
Interest Others	588592	81243
Interest on Security Deposit from Customer	124819	111011
	<u>12137462</u>	<u>11714037</u>
MISCELLANEOUS EXPENSES WRITTEN OFF		SCHEDULE-19
Deferred Revenue Expenditure	21763	21753
Preliminary Expenses	45370	45370
	<u>67123</u>	<u>67123</u>

RATHI GRAPHIC TECHNOLOGIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2010 (Amount in Rs.)

PARTICULARS	For the year ended on 31.03.2010	For the year ended on 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	14359426	9790417
Depreciation	6495847	6013200
Interest & Finance Charge	12197452	11714037
Interest Received	-235623	-347491
Dividend Received	0	-12456
Miscellaneous Expenses Written off	67123	67123
Other Income	-747663	-9656
Profit/(Loss) on Sale of Fixed Assets	0	0
Operating Profit Before Working Capital Changes	32076162	27221232
Adj. Adjustment		
Inventories	2646923	-11489106
Trade & Other Receivables	-5264219	2770996
Trade Payables	-2326401	3761266
Cash Flow from Operating activities	27131499	22244388
Income Tax Paid	100000	736900
Net Cash Flow from Operating Activities - A	27031499	21507488
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	-2960748	-9717331
Acquisition of Investment	-77755498	-53663460
Proceeds from Sales of Fixed Assets	0	0
Proceeds from Sales of Investments	0	0
Interest Received	235623	347431
Dividend Received	0	12456
Other Income	747663	3856
Net Cash Flow From Investing Activities - B	-79132760	-63017266
C. CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from Issue of Shares/Debentures etc.	6483000	4781000
Proceeds from Long Term Borrowings/Others	68886589	41667088
Repayment of Loans and Advances	-4386188	-3042923
Interest & Finance Charge Paid	-12197452	-11714037
Reserve & Surplus	6359808	13536609
Net Cash Flow From Finance Activities - C	62359578	45217738
Net Cash Inflow / (Outflow) (A+B+C)	1266333	3787958
Cash and Bank Balance (Opening Balance)	6790360	3052422
Cash and Bank Balance (Closing Balance)	8018693	6760380

(Raj Kumar Pathi)
Managing Director

(Sandeep Jain)
Director

(S. Bhatnagar)
Chief Financial Officer

(Sandeep Kumar)
Company Secretary

Place: New Delhi
Dated: 14th August, 2010

We have examined the attached Cash Flow Statement of Rathi Graphic Technologies Limited for the year ended 31st March, 2010. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreement entered into by the Company and is based on and in Agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 14th August, 2010 to the members of the Company.

For A.K. Maheshwari & Associates
Chartered Accountants

Place: New Delhi
Dated: 14th August, 2010

(Arun Maheshwari)
Proprietor

RATH GRAPHIC TECHNOLOGIES LIMITED
SIGNIFICANT ACCOUNTING POLICIES & NOTES ON
ACCOUNTS

Schedule-20

A) SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

- a) The financial statements of the Company are prepared under the Historical Cost Convention using Accrual Method of Accounting.
- b) The financial statements have been prepared in accordance with the mandatory Accounting Standards and relevant presentation requirements of the Companies Act, 1986.

2. FIXED ASSETS AND DEPRECIATION

- a) Fixed assets are accounted for at cost of acquisition inclusive of freight, duties, taxes, erection, installation and other incidentals related to acquisitions and exclusive of Excise Modvat recoverable on purchase of Capital Goods.
- b) Cost of fixed Assets acquired from outside India are converted into Indian rupees at the exchange rates prevailing on the date of disbursements.
- c) Depreciation on fixed Assets is provided on Straight Line Method considering single shift working in accordance with the rates specified in schedule XIV of the Companies Act, 1986 as amended by Notification No. GSR 758(E) dated 16th December, 1988 of the Ministry of Law, Justice & Company Law Affairs, Department of Company Affairs.
- d) Stock of finished goods are valued at Lower of cost or net realizable value. Cost includes raw materials cost and appropriate share of manufacturing expenses and is inclusive of depreciation and excise duty paid / payable thereon.

3. INVESTMENT

Investments are taken at cost.

4. SALES

Sales represents invoiced value of goods sold and services rendered, net of sales tax but inclusive of excise duty.

5. INVENTORIES

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

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

6. RESEARCH AND DEVELOPMENT EXPENDITURE

The capital expenditures are debited to the respective heads under fixed assets. The revenue expenditure is charged to revenue account and disclosed separately.

7. BORROWING COSTS

Borrowing costs attributable to acquisition, construction

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

8. FOREIGN CURRENCY TRANSACTIONS

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

9. RETIREMENT BENEFIT PLANS:

Future liability for gratuity and leave encashment is determined on the basis of actuarial valuation at year end.

10. PROVISION FOR CURRENT AND DEFERRED TAX :

Provision for current tax liability is estimated as per the provisions of the Income Tax Act, 1951

Deferred tax is recognized subject to the consideration of prudence on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more period.

11. IMPAIRMENT OF ASSETS :

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

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

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

12. REVENUE RECOGNITION

- i) Sales are recognized on dispatch of goods to customers.
- ii) Profit / Loss on sale of Investment and Fixed Assets are recognized in the year of sale.

13. DEFERRED REVENUE EXPENDITURE

Deferred revenue expenditure is written off over a period of six year.

14. MISCELLANEOUS EXPENDITURE

Miscellaneous Expenditure is written off over a five year.

B) NOTES ON ACCOUNTS

1. Contingent Liabilities not provided for:

- i) Letter of Credit established in favour of the suppliers for import of raw materials Rs. 62,61,778/- (Previous Year Rs.97,37,760/-).
- ii) The Company has filed an appeal against the

balance of Rs.12.51 Lacs against imported capital goods on 03.03.2007. The Central Excise Authorities have issued a stay order vide order no.1141/2007 ex dated 26/11/2007. The Present Impugned order is passed in pursuance to remand order passed by the Tribunal. The Amount already deposited is sufficient for hearing of the appeal.

2. The unavailed exemption for sales tax vide department letter dated 13.01.2004 as per details given below :

From	To	Extent of exemption
6.9.2008	5.9.2010	40 %
6.9.2010	5.9.2011	40 %
6.9.2011	5.9.2012	30 %
6.9.2012	6.9.2013	30 %

3. In the opinion of the Management all the current assets are realizable at the stated value.

4. The components of Deferred Tax Asset / Deferred Tax Liability in accordance with AS22 'Accounting for Taxes on Income' as on 31/3/2010 are as follows:

Deferred Tax Assets/Liabilities	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
Depreciation	24,371	1,21,091
Gratuity Provision	6,825	1,37,162
Interest Liquid	NR	1,71,011
Borrowing Losses	NR	1,86,543
Provision for Leave Encashment B/F Losses	12,416	78,029
Deferred Tax Assets/		
Deferred Tax Liabilities		
Depreciation		
B/F Losses		
	<u>26,08,962</u>	<u>16,82,836</u>
Net Deferred Tax Assets/Liabilities		
Charged to P&L Account (33.86%)	6,52,906	5,71,968
Net Deferred Tax Assets		
Transferred to B/S	<u>27,55,498</u>	<u>73,68,339</u>

5. Salaries and wages includes

	Current Year Rs.	Previous Year Rs.
Employer Contribution to Provident Fund	4,45,088/-	3,91,502/-
Employer Contribution to ESI	1,26,777/-	1,26,841
	<u>5,71,865/-</u>	<u>5,18,343</u>

6. Payment to Auditors :

	Current year Rs.	Previous Year Rs.
For Statutory Audit	Rs. 1,10,390	Rs. 1,10,390
For Tax Audit	Rs. 22,080	Rs. 22,080
	<u>Rs. 1,32,470</u>	<u>Rs. 1,32,470</u>

7. Interest @ 10 % per annum. has been provided on security deposit received from dealers.

8. Managerial Remuneration

	(Amount in Rs.)	
	For the year ended on 31/03/2010	For the year ended on 31/03/2009
Directors Remuneration		
Directors Remuneration		
Salary	25,20,000	21,00,000
Sitting Fees	8,000	9,000

9. Related party transactions:

Sr.No.	Name of the Party	Relationship	Nature of Transaction	Turnover amount	Outstanding as at 31.3.2010
1	Apulak Pooval Pillai	Director	Interest	31200	31200
2	Parthasarathi	Director	Interest	4	25700
3	Rajiv Kumar In	Director	Interest	5000	37000
4	Shri Prakash Pillai	Director	Interest	65200	66200
5	Shri Prakash Pillai	Director	Interest	25000	6000
6	Shri Prakash Pillai	Director	Interest	18400	18400

10. Loans & Advances include an amount of Rs.31,54,505/- towards CST including surcharge recoverable from Sales Tax Authority. This figure represents the excess amount paid to the Authority and correspondingly, Current liabilities also include this amount as refundable to the customers.

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

12. Additional information pursuant to provisions of Part - II, schedule VI of the Companies Act, 1956 to the extent not applicable has not been given.

14. The Company has acquired 100% shares of M/s. Rathi Rajasthan Steel Mills Limited and resolution have been passed by Board of Directors on dated 24th September, 2007. M/s. Rathi Rajasthan Steel Mills Limited is setting up a plant for manufacture of superior quality reinforcement CTD/TMT bars and wire rods etc. with an installed capacity of 75,000 TPA. The Company has already started commercial production in May, 2009 and achieved sales of Rs. 127 Crores for the financial year 2009-2010.

15. Quantitative information pursuant to the provisions of paragraphs 3, 4 C and 4 D of part II of schedule VI of the companies Act, 1956. Previous Year's figures have been given in brackets.

4) Licenced, installed capacity and Actual production :

PARTICULARS	UNIT	LICENCED CAPACITY	INSTALLED CAPACITY	ACTUAL
Tonnes	KG	330000 (330000)	330000 (330000)	4,26,304.510 (3,63,332.716)
Developers	KG	10000 (10000)	10000 (10000)	377.00 (528.400)

b) Particulars in respect of sales:		
PARTICULARS	QUANTITY (KG)	VALUE (RS)
Toners	426769.590 (349919.46)	18,72,58,202.00 (16,89,04,530.00)

Developers	145.40 (526.60)	467530.00 (6,86,792.00)
------------	--------------------	----------------------------

a) Details of Finished Goods:		
I. Opening Stock		
	QUANTITY (KG)	VALUE (RS.)
Toners	74,348.300 (64,929.06)	2,43,38,628.00 (1,86,79,663.00)

Developers	382.00 (282.20)	4,36,751.00 (2,67,573.00)
------------	--------------------	------------------------------

II. Closing Stock

Toners	73,894.230 (74,348.300)	2,38,22,328.00 (2,43,30,625.00)
--------	----------------------------	------------------------------------

Developers	583.60 (382.00)	7,29,259.00 (4,36,751.00)
------------	--------------------	------------------------------

d) Details of Raw Material consumed during the year		
	Quantity	Value in Rs.
Raw Toners/	4,33,462.114	8,92,52,907.00
Developers	(9,90,852.880)	(7,12,34,570.00)

e) Value of Raw Materials, Spare parts & Components consumed during the period:		
Raw Material (Imported)		8,92,52,907.00

		(7,12,34,570.00)
--	--	------------------

(Indigenous)		Nil
--------------	--	-----

Stores, Spare parts & Components		1,78,773.00
----------------------------------	--	-------------

f) Value of Imports during the year (CIF Basis but Exclusive of Customs Duty)		
Raw Materials		8,54,86,123.00

		(6,68,86,741.00)
--	--	------------------

g. Expenditure in foreign currency during the period		
Travelling & Reimbursement Expenses		389168.00

		(821532.00)
--	--	-------------

16. NOTE

Schedule 1 to 20 form an integral part of the Balance Sheet and Profit & Loss Account together with the Auditor's Report.

Previous year figures have been regrouped/ rearranged wherever necessary.

17. Balance Sheet Abstract and Company's General Business Profile as per Part III of Schedule VI of the Act.

1. Registration Details			
Registration No.	20 - 13770		
State Code	20		
Balance Sheet	DD	MM	YY
	31	03	2010

2. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	Right Issue
Nil	Nil
Bonus Issue	Private Placement
Nil	Nil

3. Position of Mobilization and Deployment of funds (Amount in Rs. Thousands)

Total Liabilities	Total Assets
455043	455043

Source of Funds	Balance & Surplus
Paid up Capital	106485

Secured Loans	Unsecured Loans
74323	134845

Application of Funds	Investments
Net Fixed Assets	18632

Net Current Assets	Misc. Expenditure
120977	159

Deferred Tax Assets	Accumulated Losses
8169	Nil

4. Performance of Company (Amount in Rs. Thousands)

Transfer	Total Expenditure
183458	189109

Profit before Tax	Deferred Tax Assets (Originated during the year)
14389	883

Earning per share in Rs.	Dividend
0.94	Nil

Profit after Tax	Profit after Tax
13014	13014

5. Generic Names of Three Principal Products / Services of Company (As per monetary terms)

Item Code No. (ITC Code)	Product Description : Toner for Photocopier
--------------------------	---

Item Code No. (ITC Code)	Product Description: Developer for Photocopier
--------------------------	--

For A. K. Maheshwari & Associates Chartered Accountants

(Anand Maheshwari) Proprietor

(Raj Kumar Pathi) Managing Director

(Sanjeev Jain) Director

(S. Steens) Chief Financial Officer

(Sandeep Kumar) Company Secretary

Place: New Delhi
Date: 14th Aug., 2010

Statement Pursuant to Section 212 of the Companies Act, 1956 related to Subsidiary Company

S. No.	Particulars	
1.	Name of the Subsidiary	Rathi Rajasthan Steel Mills Limited
2.	Financial year ended on	31st March, 2010
3.	Shares of the Subsidiary held by the Company on the above date a. Number of shares b. Face value per share c. Extent of holding	7661200 Rs. 10/- 100.00%
4.	The net aggregate amount of profit(loss) of the subsidiary so far as it concerns the members of the Holding Company and is not dealt with in Accounts of the Holding Company a. For the Financial Year ended on March 31, 2010 b. For the other previous financial years of the Subsidiary since it became as Subsidiary	(In Rs.) NA NA
5.	The net aggregate amount of profit(loss) of the subsidiary so far as concerns the members of the Holding Company dealt with or provided for in the Accounts of the Holding Company a. for the Financial Year ended on March 31, 2010 b. for the other previous financial years of the Subsidiary since it became as Subsidiary	(In Rs.) 1,05,56,188 Nil
6.	Changes in the holding Company's interest in the Subsidiary between the end of financial year of the subsidiary and the end of the holding Company's financial years	As the financial year of the Subsidiary Company coincides with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956 is not applicable
7.	Material Changes which have occurred between the end of the aforesaid financial year of the subsidiary and the end of the holding company's financial year in respect of a. the subsidiary's fixed assets b. its investments c. monies lent by the Subsidiary Company d. The money borrowed by it for any purpose other than that of meeting current liabilities	As the financial year of the Subsidiary Company coincides with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956 is not applicable

For and on behalf of the Board of Directors
For Rathi Graphic Technologies Limited

Raj Kumar Rathi
Managing Director

Sandesh Jain
Director

Sandeep Kumar
Company Secretary

Place: New Delhi
Date: 14th Aug.,2010

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS M/S. RATHI GRAPHIC TECHNOLOGIES LIMITED

We A.K. Maheshwari & Associates have audited the attached consolidated Balance Sheet of M/s Rathi Graphic Technologies Limited and its subsidiary as at 31st March, 2010, the Consolidated Profit and Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of M/s. Rathi Graphic Technologies Limited's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with and identified financial reporting framework and are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We did not audit the financial statements of the subsidiary M/s. Rathi Rajasthan Steel Mills Limited, whose financial statements reflect total assets of Rs. 83,35,68,873 as at 31st March, 2010 and total revenue of Rs. 1,27,80,02,182/- and net cash flows amounting to Rs. 22,078,628/- for the year then ended. These financial statements and other financial information have been audited by other auditor whose report has been furnished to us, and in our opinion, insofar as it relates to the amounts included in respect of the subsidiary, is based solely on the report of the other

auditors.

2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements, as notified by the Companies (Accounting Standards) Rules, 2008.
3. Based on our audit as aforesaid, and on consideration of reports of other auditors on the separate financial statements/ consolidated financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in case of the Consolidated Balance Sheet, of the State of Affairs of the Company as at 31st March, 2010;
 - b) in case of the Consolidated Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - c) in case of the Consolidated Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

For A.K. Maheshwari & Associates
Chartered Accountants
Reg. No.- 500108N

(Anand Maheshwari)
Proprietor
M.No.073875

Place: New Delhi
Date: 14th August, 2010

Consolidated Financial Statements of
Rafal Graphix Technologies Ltd and its Subsidiary
BALANCE SHEET AS AT 31st March, 2010

(Amount in Rs.)

	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
SHARE HOLDER'S FUNDS			
Share Capital	1	138380000	133380000
Share Warrants Accounts		0	8483000
Share Application Money		0	101583904
Reserves & Surplus	2	205889018	96180828
LOAN FUNDS			
Secured Loans	3	441946149	321048015
UNSECURED LOANS			
From Corporates	4	209497018	67870940
From Others		6956914	5103817
TOTAL		1003179099	727840505
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block		628298711	262416112
Less Depreciation		87032938	65670602
Capital Work in Progress		24220824	189846510
Investments in others	6	110422928	255236874
CURRENT ASSETS, LOANS & ADVANCES			
i. Inventories	7	164888016	71332371
ii Sundry Debtors	8	174108163	38067488
iii Cash & Bank Balances	9	30178943	6843032
iv Loans & Advances	10	82736706	105413274
		451910828	221656175
Less : Current Liabilities & Provisions	11	125955520	38293129
Net Current Assets		325955308	183383046
DEFERRED TAX ASSETS			
Opening Balance		7316533	7888628
Add : Deferred Tax Assets Originated during the Period		-8487501	-571988
MISCELLANEOUS EXPENDITURE	12	465138	368305
PRE-OPERATIVE EXPENSES			
Opening Balance		0	3747835
Add: Addition During the Year		0	26068457
PROFIT AND LOSS ACCOUNT		0	10426415
Significant Accounting Policies & Notes on Accounts	20		
TOTAL		1003179099	727840505

As per our separate report of even date attached

For A.K. Maheshwari & Associates
Chartered Accountants
Reg.No.500108N

(Anand Maheshwari)
PROPRIETOR
M. No.: 073875

(Raj Kumar Pathi)
Managing Director

(G. Biswas)
Chief Financial Officer

(Sandeep Jain)
Director

(Sandeep Kumar)
Company Secretary

Place: New Delhi
Date: 14th August, 2010

Consolidated Financial Statements of
Rathi Graphic Technologies Ltd and its Subsidiary
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

(Amount in Rs.)

SCHEDULE	For the year ended on 31.03.2010	For the year ended on 31.03.2009
INCOME		
Gross Sales		
Less: Excise Duty on Sales	14	
	1471681803	170590262
	112274518	12285539
Net Sales	1369407285	151304729
Other Income	15	
	4849597	333548
Increase/(Decrease) in Stock	12	
	59047163	7501462
TOTAL	1423554048	162227790
EXPENDITURE		
Raw Material & Manufacturing Expenses	16	
	1269127251	97826062
Administrative & Selling Expenses	17	
	52718875	33918881
Miscellaneous Expenses Written off	19	
	101172	67123
TOTAL	1326847299	131712076
Operating Profit (before Interest & Depreciation)		
Interest /Finance Charges	18	
	102656747	27517654
Profit before Depreciation & Tax (PBDT)		
	45188399	11714037
Depreciation		
	57358469	18804617
Profit before Tax		
	21462335	6013200
Provision for Income Tax		
	35396873	9793417
Provision for FBT		
	6100538	1008413
Excess Provision made in last year		
	0	709647
Revaluation Reserve- Building written back		
	0	33780
Provision for Deferred Tax (Liability)/Assets		
	246784	
Provision for Wealth Tax		
	(8467501)	(-571896)
Net Profit after Tax		
	4431	11728
Loss brought forward from Last Year		
	23876368	7522438
Earning per share		
	(10425415)	(17548635)
Significant Accounting Policies & Notes on Accounts	20	
	1.69	0.54
Balance Carried Over		
As per our separate report of even date attached	18143973	(10435415)

For A.K. Maheshwari & Associates
Chartered Accountants
Reg.No.500106N

(Raj Kumar Rathi)
Managing Director

(Sandeep Jain)
Director

(Anand Maheshwari)
PROPRIETOR
M.No.073875

(B. Biswas)
Chief Financial Officer

(Sandeep Kumar)
Company Secretary

Place: New Delhi
Date: 14th August, 2010

Consolidated Financial Statements of
Nishi Graphic Technologies Ltd and its Subsidiary

(Amount in Rs.)

	AS AT 31.03.2018	AS AT 31.03.2009
SHARE CAPITAL		SCHEDULE 01
AUTHORIZED		
18500000 Equity share of Rs.10/- each (Previous year 18500000 Equity share of Rs. 10/- each)	185000000	185000000
ISSUED, SUBSCRIBED, CALLED & PAID UP		
13939000 Equity Shares of Rs.10/- each called & fully paid up (Previous year 13939000 Equity share of Rs.10/- each called & full paid up)	139390000	139390000
	<u>139390000</u>	<u>139390000</u>
RESERVES & SUPPLIES		SCHEDULE 02
Profit and Loss account during the year	13143973	0
Share Premium Account	117364000	26916000
Forfeiture	8483000	0
Revaluation Reserve-Land & Building	70496045	70744826
Goodwill	-1500000	-1500000
	<u>208899018</u>	<u>81166826</u>
LOAN FUNDS		SCHEDULE 03
SECURED LOANS		
Term Loan-II from SBI	8075973	12117575
Term Loan-IV from SBI	3108700	4306723
Term Loan-SBI	250000000	149163453
Term Loan-SBI (FCNRB)	0	95365174
Working Capital Loan from State Bank of Bikaner & Jaipur	58320233	47814403
Working Capital Loan from State Bank of India	87341204	
SLC from State Bank of India	19500000	8818391
KICI Bank	3304029	4910435
HOFC Bank	1513014	1859961
Others	781998	0
	<u>441946149</u>	<u>321048015</u>
NOTES:		
1. The Term loan II & IV and working capital loan from State Bank of Bikaner & Jaipur is covered by first hypothecation charge by covering entire Current Assets (present and future). Collateral Security by extending of existing charge over fixed assets and by way of hypothecation of entire movable fixed assets and equitable mortgage of factory Land and Building.		
2. The Term Loan and Working Capital loan from State Bank of Bikaner & Jaipur are further secured by personal guarantee of one director and his one relative.		
3. Loan from KICI Bank, HOFC Bank and is secured against hypothecation of cars and hydro crane.		
4. The Term loan from State Bank of India is covered by first hypothecation charge by covering entire Fixed Assets of the Company. Collateral Security by extending of 2nd charge over Company's entire current assets.		
5. The Term Loan from State Bank of India is further secured by personal guarantee of Two directors and 2.00 Cr Fixed deposit.		
UNSECURED LOAN FUNDS		SCHEDULE 04
Unsecured Loan from Corporates	209497018	57870940
Unsecured Loan from Others	6366214	5103617
	<u>215863232</u>	<u>62974757</u>

**Consolidated Financial Statements of
Rathi Graphic Technologies Ltd and its Subsidiary**

SCHEDULE-06
(Amount in Rs)

FIXED ASSETS

ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.04.2009	Addition	Adjustment / Disposal	As at 31.03.2010	UPTO 31.03.2009	For the Period	Dep. Adjusted	TOTAL 31.03.2010	As at 31.03.2010	As at 31.03.2009
Lease Hold Land	121079360	6074110		127147470	0	0	0	0	127147470	121079360
Factory Building & Shed	98237274	114219349		152496617	19251623	4483199	0	19774722	132664618	22948761
Plant & Machinery	88988037	223815899		292283736	42265362	13821257	0	55886619	238497117	26402875
Electric Installation	3968879	27799881		31808691	2838574	1386162	0	3972757	27636874	1172096
Vehicle	11061576	263810		11325386	1929273	1072579	0	3001852	8380594	8082309
Tubewell	115841	140140		255981	56926	8079	0	65004	181077	59016
Furniture & Fixture	4342524	1315253		5657777	1322600	323748	0	1646248	4011528	9020024
Office Equipment	3762302	799597		4461899	1335781	200964	0	1506746	2968154	2428521
Computers	1279658	1629586		2909244	963915	411256	0	1076171	1826171	815741
Tools & Dies	106772	0		106772	68746	5072	0	73619	32959	39024
Total	262418112	375882099	0	628299711	86579602	21462336	0	87002038	541268775	188846510
Previous Year Ended on 31.03.2009	231805975	20610137	0	252416112	59557402	6019200	0	65370602	186845510	172787399

Capital Work in Progress

ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at 01.04.2009	Addition	Adjustment / Disposal	As at 31.03.2010	UPTO 31.03.2009	For the Period	Dep. Adjusted	TOTAL 31.03.2010	As at 31.03.2010	As at 31.03.2009
Land Development	0	3347717	0	3347717				0	3347717	0
Factory Building and Shed	100067581	27548444	114218349	13894682				0	13894682	104235568
Plant & Machinery	132718047	93194777	223219117	2683797				0	2683797	149778762
Other Misc Fixed Assets	22461246	8174746	30525982	0				0	0	1224523
TOTAL	255226974	182263664	368044452	19435106	0	0	0	0	19435106	256236674
Previous Year Ended on 31.03.2009	31450617	223788357	0	256236674				0	256236674	31450617

Consolidated Financial Statements of
Rathi Grapho Technologies Ltd and its Subsidiary

(Amount in Rs.)

	AS AT 31.03.2010	AS AT 31.03.2009
SCHEDULE-06		
INVESTMENTS		
A. Quoted (At Cost)		
Rathi Steel and Power Limited (24911 Shares @ Rs. 50 per share)	1245550	1245550
B. Others (At Cost)		
Investment in NSC	3000	3000
D. Immoveable Properties		
Residential Flat	387400	387400
Investment in Subsidiary Company	108806978	52663490
	<u>110422928</u>	<u>58278490</u>

Aggregate Value of Quoted Investment Rs.1245550/- and market value of quoted investment of Rs.464500/- (Previous year Rs.251801/-)

SCHEDULE 07

INVENTORIES
(As taken, valued & Certified by the Management)

Raw material	56658169	28877120
Finished Goods	80085983	24758288
Stores & Spares	8274916	2004536
Furnace Oil	1217283	41888
Packing Material	3297882	3893387
Work in Process	8815748	8991890
Scrap	3881812	197900
Schase Items	2598235	3068962
	<u>164896016</u>	<u>71332371</u>

Consolidated Financial Statements of
Rathi Graphic Technologies Ltd and its Subsidiary

(Amount in Rs.)

	AS AT 31.03.2010	AS AT 31.03.2009
SUNDRY DEBTORS		SCHEDULE-08
Debts outstanding for more than six months :		
Unsecured but considered good	3463679	5545166
Other debts :		
Unsecured but considered good	170644484	32522330
	<u>174108163</u>	<u>38067496</u>
CASH & BANK BALANCES		SCHEDULE-09
Cash in Hand	5189415	2214910
Balance with Scheduled Bank in Current Accounts	1267791	453233
in Margin Money Accounts	3723747	4175488
Term Deposit with RBI	20000000	0
	<u>30179943</u>	<u>6849032</u>
LOANS & ADVANCES		SCHEDULE-10
(Unsecured & Considered good)		
Advances Recoverable in Cash or in kind or for value to be received	16494818	4167340
Central Receivable	24670473	23175937
Val Receivables	3154505	5742876
Advance paid to Suppliers & Others	26091932	85776318
Security Deposits-Office & Others	6329361	8164635
Prepaid Expenses	253822	336661
Tax Deducted at source	2965484	27305
Advance Tax Paid	768500	0
	<u>82736706</u>	<u>105413274</u>
CURRENT LIABILITIES & PROVISIONS		SCHEDULE-11
CURRENT LIABILITIES		
Sundry Creditors-Raw Materials	75718957	11925479
Sundry Creditors-Expenses	19107795	6890674
Sundry Creditors-Others	16447020	15809368
Advance recd from Customer	5044620	18403
Security from Dealers	861000	1469000
PROVISIONS		
Gratuity, Bonus & Leave Encashment Payable	1671160	1324654
Provision for Income Tax	6100536	906695
Provision for Wealth Tax	4431	11729
	<u>125855520</u>	<u>38293129</u>
INCREASE/ DECREASE IN STOCK		SCHEDULE-12
Opening Stock of Finished goods	24768288	16937236
Opening Stock of Scrap	187000	197000
Opening Stock of Semi Finished Goods	8691090	6960690
	<u>33646378</u>	<u>26094916</u>
Closing Stock of Finished Goods	60095989	24768288
Closing Stock of Scrap	3691612	197000
Closing stock of Semi Finished Goods	8915748	8691090
	<u>82703541</u>	<u>33655378</u>
Increase/ Decrease in Stock	<u>50047163</u>	<u>7581462</u>

Consolidated Financial Statements of
Rathi Graphic Technologies Ltd and its Subsidiary

(Amount in Rs.)

	For the year ended on 31.03.2010	For the year ended on 31.03.2009
MISCELLANEOUS EXPENDITURE		SCHEDULE 13
(To the extent not written off or adjusted)		
Deferred Revenue Expenditure		
Misc. Expenditure	67950	80709
Preliminary Expenses	90740	136110
	<u>306143</u>	<u>140402</u>
	485133	388306
SALES		SCHEDULE 14
Sales-Manufacturing	1471881803	170590282
Sales-Trading	0	0
	<u>1471881803</u>	<u>170590282</u>
OTHER INCOME		SCHEDULE 15
Dividend	D	12458
Interest *	3836147	290438
Miscellaneous Income	883168	3688
Previous Year Income	18860	58882
Interest Subsidy 50% on Interest on Term Loan or Sales Tax paid whichever is less	465221	D
Written off	36170	0
	<u>4846937</u>	<u>383545</u>
*Includes Tax Deductible at Source Rs.538882/- (Previous Year Rs.69525/-)		
RAW MATERIAL & MANUFACTURING EXPENSES		SCHEDULE 16
Raw Material Consumed		75083370
Power & Fuel	1161624788	10863061
Wages, Salaries & Benefits	78428427	9394028
Employer Contribution to ESI	22674718	126841
Employer Contribution to EPF	268769	381502
Freight & Cartage	690159	268236
Stores Consumed	287628	551847
Rates & Taxes	1420728	619886
Insurance Premium	540032	391107
Tooling Charges	788082	0
Royalty	24182	0
Repairs & Maintenance Building	187844	0
Plant & Machinery	218882	218888
	<u>973213</u>	<u>196558</u>
	1289127251	9768082
ADMINISTRATIVE & SELLING EXPENSES		SCHEDULE 17
Director's Remuneration	2940000	2100000
Directors Sitting Fees	9000	9000
Donation	388370	1080716
Payment to Auditors:	195000	120000
- Audit Fees	160000	100000
- Tax Audit Fees	35000	20000
Carriage Outwards		
Insurance Charges (Key Man Insurance for Managing Director)	8850438	7131071
Legal & Professional Expenses	807180	863375
Fees & Subscription	2292881	7823742
Repairs & Maintenance-Other	787778	
Miscellaneous Expenses	1784345	1088603
Packing Material Consumed	1236498	1001288
Postage & Telegram, Telephone and	4816028	3285583
Printing & Stationery Expenses	1806888	1288821
Rent		
Research & Development Expenses	2169472	625854
Travelling & Conveyance Expenses	350	19845
Previous Year Expenses	6080508	6755621
Advertisement & Selling Expenses	108808	461183
	<u>18578851</u>	<u>13008411</u>
	52718878	33618891

Consolidated Financial Statements of
Rathl Graphic Technologies Ltd and its Subsidiary

(Amount in Rs.)

	For the year ended on 31.03.2010	For the year ended on 31.03.2009
		SCHEDULE-18
INTERFINANCE EXPENSES		
Interest on Term Loan	25119662	2437740
Interest on Working Capital Loan	13775558	8250088
Bank Charges	1788088	1518718
Interest on Car Loan	748861	683346
Interest on Unsecured Loan	1347833	544985
Interest others	650785	81243
Processing Fees	845000	0
Interest on Security Deposit from Customer	124619	111011
	45198338	11714037
		SCHEDULE 19
MISCELLANEOUS EXPENSES WRITTEN OFF		
Deferred Revenue Expenditure	21759	21759
Preliminary Expenses	79418	45370
	101172	67123

Consolidated Financial Statements of
Rathi Graphic Technologies Ltd and its Subsidiary
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH,2010

(Amount in Rs.)

PARTICULARS	For the year ended on 31.03.2010		For the year ended on 31.03.2009	
A: CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax		3689573		9790417
Add: Adjustment:				
Depreciation	21452395		8013200	
Interest & Finance Charge	48198338		11714037	
Interest Received	-9636147		-34743	
Dividend Received	0		-12458	
Misc. Expenses Written off	101172		67123	
Misc Income	-748229		9658	
Profit/(Loss) on Sale of Fixed Assets	0		0	17438131
Operating profit before Working Capital Change		66273543		27229648
Add: Adjustment:				
Inventories	-93553845		-11498106	
Trade & Other Receivables	-138040985		2770998	
Trade Payables	66077870	-142615440	10844690	2118880
Cash Flow from operating activities		-45242897		26345128
Income Tax Paid		3780153		736800
NET CASH FLOW FROM OPERATING ACTIVITIES-A		-49023050		26981928
B: CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of Fixed Assets	-81103432		-244396484	
Pre-operative Expenses (Allocation for Capitalised)	0		-25058457	
Acquisition of Investments	-77758428	-138888930	-56882350	-328350331
Proceeds from Sale of Fixed Assets	0		0	
Proceeds from Sales of Investments	0		0	
Interest Received	3636147		347331	
Dividend Received	0		12458	
Other Income	748229	4184378	3658	363545
NET CASH FLOW FROM INVESTING ACTIVITIES-B		-134674884		-328987786
C: CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Shares/ Debentures etc	4869066			84732738
Proceeds from Long Term Borrowing/Others	273777306			281065767
Repayment of Loans and Advances	-32917180			-87994779
Interest & Finance Charge Paid	-45188338			-11714037
Reserve & Surplus	6056008			13538908
NET CASH FLOW FROM FINANCING ACTIVITIES-C		207914516		286798204
NET CASH INFLOW (OVERFLOW) (A+B+C)		2889911		2847780
CASH AND BANK BALANCE (OPENING BALANCE)		6843032		4496296
CASH AND BANK BALANCE (CLOSING BALANCE)		3017943		6843032

Raj Kumar Rathi
(Managing Director)

Sandeep Jain
(Director)

S. Sharma
(Chief Financial Officer)

Place: New Delhi
Dated: 14th August, 2010

Sandeep Kumar
(Company Secretary)

We have examined the attached Consolidated Cash Flow Statement of Rathi Graphic Technologies Limited and its subsidiary for the year ended 31st March, 2010. The Statement has been prepared by the Company in accordance with the requirements of Clause 52 of the Listing Agreement entered into by the Company and is based on and in Agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 14th August, 2010 to the members of the Company.

For A.K. Maheshwari & Associates
Chartered Accountants
Reg. No. 500108N

Place: New Delhi
Dated: 14th August, 2010

Anand Maheshwari
(Proprietor)
M.No. 073875

Consolidated Financial Statement of M/s.Rathi Graphic Technologies Limited and its subsidiary Company namely, M/s. Rathi Rajasthan Steel Mills Limited

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH,2010

Schedule-20

A: SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF PREPARATION

The Consolidated Financial Statement are prepared in accordance with Accounting Standard -21 on Consolidated Financial Statement issued by the Institute of Chartered Accountants of India.

2. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statement relate to M/s.Rathi Graphic Technologies Limited (Parent Company) and its subsidiary namely, M/s.Rathi Rajasthan Steel Mills Limited. The Financial Statement of the Company and that of the Rathi Rajasthan Steel Mills Limited have been prepared in accordance with the Generally Accepted Accounting Practices (GAAP) applicable in India. These Financial Statement have been prepared by consolidation of the Financial Statement of the Company and its subsidiary on a line-by-line basis after fully eliminating the inter-company transactions.

3. PROPORTION OF OWNERSHIP INTEREST IN SUBSIDIARY COMPANY INCLUDED IN CONSOLIDATION

S.No.	Name of the Company	Country of Incorporation	Proportion of Ownership Interest as on 31 st March 2010
1	Rathi Rajasthan Steel Mills Limited	India	100%

4. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The Financial Statement of the Company have been prepared under historical cost convention, except as otherwise stated, in accordance with the Generally Accepted Accounting Practices (GAAP) applicable in India and the provisions of the Companies Act,1956.

5. USE OF ESTIMATES

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

6. REVENUE RECOGNITION

Sales are recognized on dispatch of goods to customers and Profit / Loss on sale of investment and Fixed Assets are recognized in the year of sale.

7. BORROWING COSTS

Borrowing costs are attributable to the acquisition, construction of qualifying assets are capitalized as part of cost of such assets up to the date the assets are ready for their intended use. All other borrowing costs are recognized as an expense in the year in which they are incurred.

8. FIXED ASSETS AND DEPRECIATION

- Fixed assets are accounted for at cost of acquisition inclusive of freight, duties, taxes, erection, installation and other incidentals related to acquisitions and exclusive of Central recoverable on purchase of Capital Goods.
- Costs of fixed Assets acquired from outside India are converted into Indian rupees at the exchange rates prevailing on the date of disbursements.
- Depreciation on fixed Assets is provided on Straight Line Method considering single shift working in accordance with the rates specified in schedule XIV of the Companies Act, 1956 as amended by Notification No. GSR 756(E) dated 10th December, 1993 of the Ministry of Law, Justice & Company Law Affairs, Department of Company Affairs.

9. Impairment of Assets

An assets is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

10. INVESTMENT

Investment are taken at Cost

11. INVENTORIES

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

12. RESEARCH AND DEVELOPMENT EXPENDITURE

The capital expenditures are debited to the respective heads under fixed assets. The revenue expenditure is charged to revenue account and disclosed separately.

13. FOREIGN CURRENCY TRANSACTIONS

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

14. **DEFERRED REVENUE EXPENDITURE**
1/5th of such expenses have been charged to Revenue Account.

15. **MISCELLANEOUS EXPENDITURE**
1/5th of such expenses have been charged to Revenue Account

B: NOTES ON ACCOUNTS:

1. Contingent Liabilities not provided for
i) Letter of Credit established in favour of the suppliers for import of raw materials Rs. 82,81,779/- (Previous Year Rs.97,37,760/-).

ii) The Company has filed an appeal against the balance of Rs.12.91 Lacs against Imported capital goods in 1995. The Central Excise Authorities have issued a stay order vide order no.1141/2007 ex dated 28/11/2007. The Present impugned order is passed in pursuance to remand order passed by the Tribunal. The Amount already deposited is sufficient for hearing of the appeal.

2. The Inventory of raw material, stores, oil & fuel and finished goods has been valued as per AS - 2 (Valuation of Inventories) issued by The Institute of Chartered Accountants of India.

3. The company has received sales tax exemption vide the department letter dated 13.01.2004 as per details given below :

From	To	Extent of exemption
8.8.2009	5.9.2010	40 %
8.8.2010	5.9.2011	40 %
8.8.2011	5.9.2012	30 %
8.9.2012	5.9.2013	30 %

4. In the opinion of the Management no provision on deemed income under MAT in accordance with section 115JB of the Income Tax Act, 1961 is required due to the unabsorbed business losses/depreciations during the earlier years.

5. In the opinion of the Management all the current assets are realizable at the stated value.

6. As per information available with management none of the creditors fall within the SSI category.

7. The components of Deferred Tax Asset / Deferred Tax Liability in accordance with AS22 "Accounting for Taxes on Income" as on 31/3/2010 are as follows:

Deferred Tax Assets	Current Year Amount (In Rs.)	Previous Year Amount (In Rs.)
Depreciation	8,25,38,937	11,21,060
Gratuity Provision	2,71,727	1,87,190
Interest Unpaid	0	1,11,011
Bonus Unpaid	0	1,85,513
Provision for Leave Encashment	82257	78029
B/F Losses		
Deferred Tax Assets	2,15,87,468	
Deferred Tax Liabilities	2,80,84,995	
Depreciation		
B/F Losses	-	16,82,825
Net Deferred Tax Liabilities		
Charged to P&L Account (33.98%)	64,87,501	8,71,998
Net Deferred Tax Assets		
Transferred to B/S	6,49,132	73,16,838

B. Segment Information:

The Company has disclosed business segment as the primary segment. Segment has been identified taking into account nature of products, the differing risk and return and the internal business reporting system.

The Company's operations predominantly relate sale of iron, developer and iron & steel.

Segment revenue, segment result, segment assets and segment liabilities include the respective amounts

Primary Segment Information

Particulars	Toner		Developer		Iron & Steel		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
1 Segment Revenue External Turnover Segment Turnover	187256232	169904030	487530	685732	1274198071	Nil	1471861003	170880282
Gross Turnover Less: Excise duty / Service Tax removed Net Turnover	187256232 15251071	169904030 18338018	487530 37944	685732 77523	1274198071 8705803	Nil Nil	1471861003 112374516	170880282 18286539
2 Segment Result before Interest and Taxes Less: Interest Expense Add: Interest Income Add: Exceptional item Profit before Tax Current Tax (including deferred Tax) Fringe Benefit Tax/Profit After Tax	20188610	21129739	84745	89278	51187010	Nil	77488285	87214015
							45180306	11714037
							3588073	8790417
							12325895	1508300
							Nil	70847
							29570988	7820482
3 Other Information Segment Assets Segment Liabilities Capital Expenditure Depreciation Non Cash Expenses other than depreciation	381285362 42395981 2902745 8445947 87123	210826882 15044882 4189005 9913200 67123	892805 892805 -	8254805 82739 -	787006452 86098948 22582587 14589682 34248	453750967 22885498 837894474 -	1128934018 125885580 74649035 21448238 901172	785628634 3883128 348806482 8913200 67823

identifiable to each of the segments allocated on a reasonable basis.
The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

B. Salaries and wages includes	Current Year Rs.	Previous Year Rs.
Employer Contribution to Provident Fund	6,90,159/-	3,91,502/-
Employer Contribution to ESI	2,98,769/- 9,78,928/-	1,26,841/- 5,18,343/-

10. Payment to Auditors

	Current Year	Previous Year
For Statutory Audit	Rs.1,50,000	Rs. 1,25,000/-
For Tax Audit	Rs. 36,000	Rs. 22,000/-
	<u>Rs.1,86,000</u>	<u>Rs. 1,47,000/-</u>

11. Interest @ 10 % per annum, has been provided on security deposit received from dealers.

12. Managerial Remuneration

	For the Year ended on 31/03/2010	(Amount in Rs.) For the Year ended on 31/03/2009
Directors Remuneration		
Salary	29,40,000	21,00,000
Sitting Fees	9,000/-	9,000/-

13. Related party transactions:

Sr.No.	Name of the Party	Relationship Transaction	Nature of Transaction	Transaction amount	Outstanding as on 31.3.2010
1	Alpha Stock Fin services Pvt.Ltd.	Shri Raj Kumar Rathil is a Director	Unsecured Loan	28182100	56920100
2	Rathi Iron And Steel Industries Limited	Relative of Director	Sales & Purchase	31596709	3111219
3	Rathi Electrosteel Ltd.	Shri Raj Kumar Rathil is a Director	Unsecured Loan	NIL	2575000
4	Rathi Iron And Steel Industries Ltd.	Relative of Director	Loan & Advances	8874980	3774380
5	Shank Packaging (I) Pvt.Ltd.	Shri Raj Kumar Rathil is a Director	Unsecured Loan	45655000	88908000
6	Rathi Steel And Power Limited	Shri Raj Kumar Rathil is a Director	Sales & Purchase	105404782	4785697
7	Shri Surendra Rathil	Director	Remuneration	420000	96740
8	Shri Raj Kumar Rathil	Director	Remuneration	2520000	169000

14. Loans & Advances include an amount of Rs.31,54,505/- towards CST including surcharge recoverable from Sales Tax Authority. This figure represents the excess amount paid to the Authority and correspondingly, Current liabilities also include this amount as refundable to the customers.

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

16. Additional information pursuant to provisions of Part - II, schedule VI of the Companies Act, 1956 to the extent not applicable has not been given.

17. The Company has acquired 100% shares of M/s.Rathi Rajasthan Steel Mills Limited and resolution has been passed by Board of Directors on dated 24th September, 2007. M/s. Rathi Rajasthan Steel Mills Limited is setting up a plant for manufacture of superior quality

reinforcement CTD/TMT bars and wire rods, etc. with an installed capacity of 75,000 TPA. The erection and commission work has been completed and the commercial production has been started in May, 2009.

The subsidiary company of M/s Rathi Rajasthan Steel Mills Limited has achieved turnover of Rs. 127.41 Crores in the first financial year 2009-10.

As per our report of even date
For A.K. Maheshwari & Associates
Chartered Accountants

(Anand Maheshwari)
Proprietor

(Raj Kumar Rathil)
Managing Director

(E.Bhawani)
Chief Financial Officer

Place : New Delhi
Date : 14th August, 2010

(Bandish Jain)
Director

(Sandeep Kumar)
Company Secretary

DIRECTOR'S REPORT

TO THE MEMBERS

RATHI RAJASTHAN STEEL MILLS LIMITED

Your directors have the pleasure in presenting this 6th Annual report of the Company for the year ending 31st March, 2010.

FINANCIAL RESULTS

Your Company has set up its steel plant at Plot No. SP 293-296 Phase - 4, Chopanki, Bhiwadi Industrial Area, Rajasthan to manufacture CTD/TMT bars with an installed capacity of 75000 TPA and has commenced its commercial production with effect from 05th May 2009. In its first year of commercial production, your Company has achieved satisfactory results. Detailed results are annexed herewith for your consideration. The Board of Directors foresees bright future of your Company in the forthcoming years. Brief details of financial results are as follows:

Particulars	(In Rupees)	
	Year ended 31.03.2010	Year ended 31.03.2009
Turnover	1397041893	Nil
Profit/(Loss) before Interest & depreciation	89664223	Nil
Interest & Depreciation	48027576	Nil
Profit/(Loss) before tax	21536648	Nil
Net Profit/(Loss)	10558188	Nil

DIVIDEND

Your Directors do not recommend any dividend for the financial year ended on 31st March, 2010 and wish to accumulate the profits to strengthen the working of the Company.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, the period of office of Shri Raj Kumar Rathi, Director of the Company, is liable to retire by rotation and being eligible has offered himself for re-appointment.

During the year under review, Shri Saurabh Rathi has been appointed as Managing Director of your Company by the Board of Directors in its meeting held on 30th January 2010 subject to approval of members of the Company. Subsequently his appointment was approved by the members in an Extra-Ordinary General Meeting held on 25th February 2010.

During the year under review, Shri Sandeep Kumar Jain has been appointed as an additional director of the Company. Since his period of office is only up to the commencement of ensuing Annual General Meeting of the Company, he needs to be regularized as a director in the ensuing Annual General Meeting. He is a practicing

Chartered Accountant having rich experience in the field of accounting, auditing, project financing, taxation matters, corporate law matters and management consultancy.

ALLOTMENT OF SHARES

During the year under review, your Directors have issued 22,61,200 fully paid equity shares of Rs. 10/- each to the Holding Company M/s Rathi Graphic Technologies Limited at a premium of Rs. 40/- per share.

PUBLIC DEPOSIT

The Company has not accepted any public deposit under section 58A & 58AA of the Companies Act 1956 during the financial year ended on 31st March, 2010.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGES

Particulars regarding conservation of energy, technology absorption, in accordance with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 is annexed as Annexure - I to this report.

There is no exports and foreign exchange earnings and outgo during the year.

AUDITOR'S REPORT

The auditors have made no material qualification and Auditors Report on account of company is self explanatory, therefore no comment is being made on the auditor's report.

AUDITORS

M/s. Ramesh Gupta & Co., Statutory Auditors of the Company, hold office until the conclusion of Annual General Meeting. They have conveyed their eligibility for reappointment at the ensuing Annual General Meeting. Your Directors recommend their re-appointment.

PARTICULARS OF EMPLOYEES

The particulars as required to be given in 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not applicable to the company as none of the employees is getting remuneration above the prescribed limit.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of section 217 (2AA) of the Companies Act, 1956, the Directors Report that: -

- a) In the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- b) Such accounting policies have been selected and applied consistently and judgement and estimate have been made 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 financial year and of the profit and loss account of the company for the year ended on 31st March, 2010.
- c) Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing the detecting fraud and other irregularities.
- d) The Annual Accounts have been prepared on a "going concern" basis.

For and on behalf of the Board

Suresh Pathi
Managing Director

Raj Kumar Pathi
Director

Dated: 22/04/2010
Place: New Delhi

ANNEXURE - I

Form - A
Form for disclosure of particulars with respect to conservation of energy

S.No.	Particulars	Current Year	Previous Year
	Power & Fuel Consumption		
1.	Electricity		
a	Purchased Units/KWH	45,28,305	Nil
	Total Cost (Rs.)	2,18,17,578	Nil
	Rate/Unit (Rs.)	4.84	Nil
2.	Furnace Oil		
	Quantity(Ltrs.)	18,63,000	Nil
	Total Cost (Rs.)	4,81,77,154	Nil
	Average Rate per Ltr. (Rs.)	26	Nil

Part - II
Consumption per Unit of Production

Product	Electricity(KWH)		Furnace Oil (Ltrs)	
	Current year	Previous year	Current year	Previous year
TMT & CTD Bars (per MT)	516.00	Nil	1134.36	Nil

AUDITOR'S REPORT

The Members of
Rathi Rajasthan Steel Mills Limited

1. We have audited the attached Balance Sheet of M/s Rathi Rajasthan Steel Mills Limited as at 31st March, 2010, the relative Profit & Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our Audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the annexure referred to in paragraph 1 above, we report that:
 - a) We have obtained all the information and the explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of books.
 - c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet and profit and loss account dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors of the Company as at 31st March, 2010 and taken on record by the Board of Directors, we

report that none of the directors is disqualified as on March, 31, 2010 from being appointed as director of the company under Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- 0) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with the significant accounting policies and notes forming part of the accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:-
 - (1) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2010; and
 - (2) In the case of the Profit & Loss Account of the profit of the Company for the year ended on that date.
 - (3) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Ramesh Gupta & Co.
Chartered Accountants

(Manoj Gupta)
Proprietor
M. No. 87361

Place: New Delhi
Date: 22nd April, 2010

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE ON THE ACCOUNT OF M/S. RATHI RAJASTHAN STEEL MILLS LIMITED FOR THE YEAR ENDED ON 31st MARCH, 2010

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available. According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.

Substantial part of the fixed assets have not been disposed off during the year.
2. As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and nature of its business.

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.

- The Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of stocks, as compared to book records.
3. According to the information and explanations given to us, the Company has taken interest free unsecured loans from three parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amounts outstanding during the year against the said loans were Rs.1172.35 Lacs. There were no terms and conditions stipulated in this respect.
 4. According to the information and explanations given to us, no loans or advances in the nature of loans have been granted to the Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 except advances to staff where the company has not charged any interest and no conditions have been stipulated as regards the payment of interest and repayment of principle amount.
 5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control.
 6. As explained to us, there has not been any transaction during the year that need to be entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding during the year to Rs. 5,00,000/- or more in respect of each such party.
 7. The Company has not accepted any deposits from the public within the purview of Section 55A & 55AA of the Companies Act, 1956.
 8. The Company has adequate Internal Audit system which in our opinion, is commensurate with the size of the Company and the nature of its business.
 9. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any products of the Company.
 10. According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, cess which are outstanding as at 31st March, 2010 for a period of more than six months from the date they became payable. There are no disputed statutory liabilities payable during the year.
 11. According to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank.
 12. The Company is not a CHIT fund, Nidhi or mutual benefit society. Hence, the requirements of item (xiii) of paragraph 4 of the Order is not applicable to the Company.
 13. The Company has not incurred cash losses during the financial year ended on that date or in the immediately preceding financial year.
 14. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
 15. As per the information and explanations given to us, the term loan has been applied for the purpose for which it is raised.
 16. According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investment. Similarly, no funds raised on long-term basis have been used for short-term investment.
 17. In our opinion and according to the information and explanations given to us, the Company is not dealer or trader in securities.
 18. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investment. Hence paragraph no.XIV of the order is not applicable to the Company.
 19. The Company has not issued any debentures during the year. Hence, the requirements of clause (ix) of paragraph 4 of the Order is not applicable to the Company.
 20. As explained to us, the company has not made any public issue during the year. However the Company has issued 2281200 fully paid up shares to the holding company M/s.Rajhi Graphic Technologies Limited at a price of Rs.50/- per share inclusive of premium of Rs.40 per share amounting to Rs.11,50,80,000/- in accordance with the provisions of the Companies Act, 1956.
 21. According to the information and explanations given to us, a fraud on or by the Company has not been noticed or reported during the year.

For Ramesh Gupta & Co.
Chartered Accountants

(Mansoj Gupta)
Proprietor
M. No. 67361

Place: New Delhi
Date: 22nd April, 2010

Rathi Rajasthan Steel Mills Limited
Balance Sheet As at 31st March, 2010

(Amount in Rs.)

SCHEDULE		AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS			
Share Capital	1	75512000	54000000
Share Application Money		0	107583904
Reserves & Surplus	2	101004185	0
LOAN FUNDS			
Secured Loans	3	387623200	243516627
Unsecured Loans	4	51006978	1322931
Deferred Tax		7320307	0
TOTAL		633588673	406425362
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	423811822	49573360
Less Depreciation		14866689	0
Capital Work-in-Progress		18436106	49573360
Investment		3000	300025892
			3000
CURRENT ASSETS, LOANS & ADVANCES			
I. Inventories	6	86138568	0
II Sundry Debtors	7	130775445	0
III Cash & Bank Balances	8	22161280	82652
IV Loans & Advances	9	58237226	29686234
		307374520	29758886
Less : Current Liabilities & Provisions	10	102396829	13992360
Net Current Assets		204977691	15765526
MISCELLANEOUS EXPENDITURE			
To the extent not written off)			
Preliminary Expenses	12	306443	140492
Pre-Operative Expenses:		0	28606292
Significant Accounting Policies & Notes on Accounts	19		28946784
TOTAL		633588673	406425362

As per our separate report of even date attached

For Ramesh Gupta & Co.
Chartered Accountants

(Saurabh Rathi)
Managing Director

(Pooj Kumar Rathi)
Director

(Ramesh Gupta)
PROPRIETOR
M.NO.87361

(S. Sharma)
Chief Financial Officer

(Sandesh Jain)
Director

Place: New Delhi
Date: 22.04.2010

Rathi Rajasthan Steel Mills Limited
PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 01.03.2008 to 31.03.2010

(Amount in Rs.)

SCHEDULE	For the year ended on 31.03.2010	For the year ended on 31.03.2009
INCOME		
Income from Operation	1274136071	0
Other Income 13	3866111	0
Increase/(Decrease) in Stock 11	58039211	0
TOTAL	1357941293	0
EXPENDITURE		
Raw Material & Manufacturing Expenses 14	1251639685	0
Administrative Expenses 15	5991245	0
Selling & Distribution Expenses 16	9812181	0
Miscellaneous Expenses Written off 18	34049	0
TOTAL	1267477170	0
Operating Profit (before Interest & Depreciation)	99564223	0
Interest /Finance Charges 17	33060866	0
Profit before Depreciation & Tax (PBDT)	66503357	0
Depreciation	14966899	0
Profit before Tax	21536458	0
Provision for Income Tax	3660153	0
Provision for Deferred Tax (Liability)/Assets	7320307	0
Net Profit after Tax	10555188	0
Significant Accounting Policies &		
Notes on Accounts 19	10555188	0
Balance Carried Over	10555188	0

As per our separate report of
even date attached

For Ramesh Gupta & Co.
Chartered Accountants

(Saurabh Rathi)
Managing Director

(Raj Kumar Rathi)
Director

(Manoj Gupta)
Proprietor

(S. S. S. S.)
Chief Financial Officer

(Sandeep Jain)
Director

Place: New Delhi
Date: 22.04.2010

Rathi Rajasthan Steel Mills Limited

(Amount in Rs.)

	AS AT 31.03.2019	AS AT 31.03.2018
SCHEDULE-01		
SHARE CAPITAL		
AUTHORISED		
1000000 Equity share of Rs.10/- each (Previous year 800000 Equity share of Rs. 10/- each)	10000000	8000000
ISSUED, SUBSCRIBED, CALLED & PAID UP		
7681200 Equity Shares of Rs.10/- each called & fully paid up (Previous year 5400000 Equity share of Rs.10/- each called & full paid up)	76812000	54000000
	<u>76812000</u>	<u>54000000</u>
SCHEDULE 02		
RESERVES & SURPLUS		
Profit and Loss Account during the year/ Share Premium Account	10558188 90448000	0
	<u>101004188</u>	<u>0</u>
LOAN FUNDS		
SCHEDULE 03		
SECURED LOANS		
Term Loan from Banks	250000000	243818627
Working Capital Facilities from Banks	97341204	0
SLC from State Bank of India	19500000	
Vehicle Loans from Others	781866	0
	<u>367020200</u>	<u>243818627</u>
NOTES :		
1. The Term loan from State Bank of India is secured by first hypothecation charge by covering entire Fixed Assets of the Company. Collateral Security by extending of 2nd charge over Company's entire current assets.		
2. The Working Capital (including SLC) from State Bank of India is covered by way of hypothecation over entire current assets of the Company. Collateral security by extending of 2nd charge over company's entire fixed assets by way of equitable mortgage of factory land & building at Chopard, Rajasthan.		
3. For all loans from State Bank of India FDR of Rs.2.00 Crores and personal guarantee of two Directors.		
4. Vehicle Loan is secured by way of hypothecations of specific asset.		
UNSECURED LOANS		
SCHEDULE-04		
From Corporates	81006978	0
From Others	0	1322831
	<u>81006978</u>	<u>1322831</u>

RATHI RAJASTHAN STEEL MILLS LIMITED

SCHEDULE-06
(Annexure to Part A)

FIXED ASSETS

ASSETS	G R O S S B L O C K			D E P R E C I A T I O N				N E T B L O C K		
	As at 31.03.2009	Addition	Adjustment / Disposal	As at 31.03.2010	UPTO 31.03.2009	For the Period	Dep. Adjusted	TOTAL 31.03.2010	As at 31.03.2010	As at 31.03.2009
Lease Hold Land and Development	49673360	6274110		55747470	0	0	0	0	55747470	49673360
Factory Building & Shed	0	114218343		114218343	0	3206074	0	3206074	111012269	
Plant & Machinery	0	223218117		223218117	0	10348801	0	10348801	212869316	
Electric Installation	0	27731818		27731818	0	1153050	0	1153050	26576766	
Vehicle	0	86240		86240	0	4294	0	4294	81946	
Tubewell & Borewell	0	140140		140140	0	4206	0	4206	135934	
Furniture & Fixture	0	604508		604508	0	32547	0	32547	571961	
Office Equipment	0	478800		478800	0	18052	0	18052	460748	
Computers	0	159489		159489	0	198995	0	198995	1393621	
Total (A)	49673360	374136582		423811922	0	14968889	0	14968889	408943033	49673360
Capital Work in Progress										
Land Development	0	3347717	0	3347717	0	0	0	0	3347717	
Factory Building and Shed	100367681	27549444	114218343	133946468	0	0	0	0	133946468	100367681
Plant & Machinery including Advance	183506905	42406959	223218117	2683707	0	0	0	0	2683707	183506905
Other Misc Fixed Assets	22461246	817476	30625982	0	0	0	0	0	0	22461246
Total (B)	349025692	8147486	348064482	19438106	0	0	0	0	19438106	349025692
Grand Total(A+B)	356689082	456613426	363064462	443246028	0	14968889	0	14968889	428211308	356689082
Previous Year Ended on 31.03.2010	66356726	254385498	0	300742226	0	0	0	0	300742226	

Rathi Rajasthan Steel Mills Limited

(Amount in Rs.)

	AS AT 31.03.2010	AS AT 31.03.2009
INVENTORIES		SCHEDULE 06
(As taken, valued & Certified by the Management)		
Raw material	31274064	0
Finished Goods	55544399	0
Stores & Spares	4735896	0
Furnace Oil	1150377	0
Scrap Goods-Misc Roll/End Cutting	3494812	0
	<u>96199568</u>	<u>0</u>
SUNDRY DEBITORS		SCHEDULE 07
Debit outstanding for more than six months ;	0	0
Unsecured but considered good		
Other debts :		
Unsecured but considered good	130776448	0
	<u>130776448</u>	<u>0</u>
CASH & BANK BALANCES		SCHEDULE 08
Cash in Hand	69414	31526
Cash at Bank with Scheduled Bank		
in Current Accounts	941866	51026
Margin Money-LC	1720000	
Term Deposit with SBI	20000000	
	<u>22161280</u>	<u>82662</u>
LOANS & ADVANCES		SCHEDULE 09
(Unsecured & Considered good)		
Advances Recoverable in Cash or in kind or		
for value to be received	9710367	89266
General Recoverables	24520570	22409962
VAT Recoverables	0	2421588
Advance paid to Suppliers & Others	15640250	0
Advance Income Tax	666500	0
Prepaid Expenses	29925	
Tax Deduction at Source Ass. Year 2010-2011	2886708	
Security Deposits	4783608	4665428
	<u>58237226</u>	<u>29686234</u>

Rathi Rajasthan Steel Mills Limited

(Amount in Rs.)

	AS AT 31.03.2010	AS AT 31.03.2009
CURRENT LIABILITIES		SCHEDULE 10
Sundry Creditors-Raw Materials	87922743	0
Sundry Creditors-Expenses	11842923	0
Advance recd from Customer	3252263	0
Other Current Liabilities	15443574	13992360
PROVISIONS		
Gratuity,Bonus & Leave Encashment Payable	274973	0
Provision for Income Tax-Income Tax	3680153	0
Provision for wealth Tax	0	0
	<u>10299629</u>	<u>13992360</u>
INCREASE/DECREASE IN STOCK		SCHEDULE 11
Opening Stock of Finished Goods	0	0
Opening Stock of Miss Roll	0	0
Opening Stock of End Cutting	0	0
	<u>0</u>	<u>0</u>
Closing Stock of Finished Goods	55544399	0
Closing Stock of Miss Roll	3027076	0
Closing Stock of End Cutting	487738	0
	<u>59039211</u>	<u>0</u>
Increase/ Decrease in Stock	<u>59039211</u>	<u>0</u>
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		SCHEDULE 12
Pre-operative Expenses	0	28806282
Preliminary Expenses	308443	140482
	<u>308443</u>	<u>28946764</u>
OTHER INCOME		SCHEDULE 13
Written off	366	0
Interest Subsidy 50% on Interest on Term Loan or Sales Tax paid whichever is less	488221	0
Interest Income(Gross)	3406524	0
	<u>3895111</u>	<u>0</u>

* Including Tax Deduction at Source Rs.488122/- (Previous year Rs.Nil)

Rathi Rajasthan Steel Mills Limited

(Amount in Rs.)

	From 08.6.2009 to 31.03.2010	From 01.04.2008 to 31.03.2009
RAW MATERIAL & MANUFACTURING EXPENSES		SCHEDULE 14
Raw Material Consumed	1072372481	0
Oil & Lubricants	44978958	0
Excise Duty	97005803	0
Power Expenses	22156284	0
Wages, Salaries & Benefits	12618228	0
Employer Contribution to EPF	245071	0
Employer Contribution to ESI	149992	0
Freight & Cartage	46290	0
Stores Consumed	1241965	0
Testing Charges	24182	0
Royalty	187944	0
Insurance Premium	378957	0
Repairs & Maintenance : Plant & Machinery	238670	0
	<u>1251639695</u>	<u>0</u>
ADMINISTRATIVE EXPENSES		SCHEDULE 15
Donation	22000	0
Director Remuneration	420000	0
Payment to Auditors: -Audit Fees	75000	0
-Tax Audit Fees	80000 15000	0
Legal & Professional Expenses	1438468	0
Repairs & Maintenance-Other	94727	0
Miscellaneous Expenses	207425	0
Postage, Printing and Telephone Expenses	371719	0
Rent, Rates & Taxes	1400120	0
Fees & Subscriptions	371819	0
Travelling & Conveyance Expenses	1142166	0
Service Tax Paid	449815	0
	<u>5891245</u>	<u>0</u>
SELLING AND DISTRIBUTION EXPENSES		SCHEDULE 16
Advertisement & Business Promotion	95719	0
Branch Expenses-Delhi Godeon	23091	0
Commission & Discount	3086171	0
Freight Outwards	6627240	0
	<u>9612181</u>	<u>0</u>
INTEREST ON FINANCE EXPENSES		SCHEDULE 17
Interest on Term Loan	24353848	0
Interest on Working Capital Loan	7060881	0
Interest on Others	62193	0
Bank Charges	919364	0
Processing Fees	845000	0
	<u>33000886</u>	<u>0</u>
MISCELLANEOUS EXPENSES WRITTEN OFF		SCHEDULE 18
Pre-operative Expenses	0	0
Preliminary Expenses	34049	0
	<u>34049</u>	<u>0</u>

Rishi Rajasthan Steel Mills Limited
CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH,2010

(Amount in Rs.)

PARTICULARS	For the year ended on 31.03.2010	For the year ended on 31.03.2009
A CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit before deferred Tax Adjustment	21536648	0
Depreciation	14966699	0
Interest & Finance Charges	33060666	
Interest Received (Accrued)	-3400524	
Other Income	-366	
Miscellaneous Expenses Written off	34049	0
Opening Profit before Working Capital Changes	66197382	0
Adjustment for changes in:		
i. Inventories	-98199568	0
ii. Sundry Debtors	-130776446	0
iii. Loans & Advances	-28550992	0
iv. Current Liabilities & Provisions	88404269	0
Cash Flow from Operating Activities	-167122737	0
Income Tax Paid	3660153	0
Net Cash Flow from Operating Activities-A	-164462584	0
B CASH FLOW FROM INVESTMENTS		
Adjustment of Fixed Assets	-58742684	0
Acquisition of Investment	0	0
Interest Received	3400524	0
Increase in Preliminary Expenses	-200000	
Other Income	666	
Net Cash flow from Investing Activities-B	-55541794	0
C CASH FLOW FROM FINANCE		
Proceeds from issue of Shares/Share Premium		
Share application Money	11476096	0
Proceeds from Long Term Borrowings/Other	22263369	0
Repayment of Long Term Borrowings	-1600000	
Proceeds from Short Term Bank Borrowings	118841204	0
Interest and Finance Charge Paid	-33060666	
Increase in Unsecured Loans	78686147	0
Net Cash Flow from Finance Activities-C	182205690	0
Net Cash Inflow/ (Outflow) (A+B+C)	22078628	0
Cash and Bank Balance (Opening Balance)	62652	1442874
Cash and Bank Balance (Closing Balance)	22161260	62652

Suresh Rathi
(Managing Director)

Raj Kumar Rathi
(Director)

Sandeep Jain
(Director)

S. Bhatnagar
(Chief Financial Officer)

Place: New Delhi
 Dated: 22nd April,2010

We have examined the attached Cash Flow Statement of Rishi Rajasthan Steel Mills Limited for the year ended 31st March 2010. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Listing Agreement entered into by the Company and is based on and in Agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 22nd April,2010 to the members of the Company.

For Ramnath Gupta & Co.
 Chartered Accountants

Place: New Delhi
 Dated: 22nd April,2010

Manoj Gupta
 (Proprietor)

SCHEDULE-19

Rathi Rajasthan Steel Mills Limited

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**A) SIGNIFICANT ACCOUNTING POLICIES****1. BASIS OF ACCOUNTING**

- a) The financial statements of the Company are prepared under the historical Cost Convention using Accrual Method of Accounting.
- b) The financial statements have been prepared in accordance with the mandatory Accounting Standards and relevant presentation requirements of the Companies Act, 1956.

2. FIXED ASSETS AND DEPRECIATION

- a) Fixed assets are accounted for at cost of acquisition inclusive of freight, duties, taxes, erection, installation and other incidentals related to acquisitions and exclusive of Excise Motives recoverable on purchase of Capital Goods.
- b) Cost of fixed Assets acquired from outside India is converted into Indian rupees at the exchange rates prevailing on the date of disbursements.
- c) Depreciation on fixed Assets is provided on Straight Line Method considering single shift working in accordance with the rates specified in schedule XIV of the Companies Act, 1956 as amended by Notification No. GBF 756(E) dated 18th December, 1990 of the Ministry of Law, Justice & Company Law Affairs, Department of Company Affairs.

3. INVESTMENT

Investments are taken at cost.

4. SALES

Sales represents invoiced value of goods sold and services rendered, net of sales tax but inclusive of excise duty.

5. INVENTORIES

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

- a) Stocks of Raw Materials are valued at cost by adopting FIFO Method.
- b) Stock of stores and spares are valued at cost by adopting FIFO Method.
- c) Stocks of finished goods are valued at lower of cost or net realizable value. Cost includes raw material cost and appropriate share of manufacturing expenses and is inclusive of depreciation and excise duty paid / payable thereon.

6. BORROWING COSTS

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

an expense in the year in which they are incurred.

7. RETIREMENT BENEFIT PLANS:

Future liability for gratuity and leave encashment is determined on the basis of actuarial valuation at year end.

8. PROVISION FOR CURRENT AND DEFERRED TAX:

Provision for current tax liability is estimated as per the provisions of the Income Tax Act, 1961. Deferred tax is recognized subject to the consideration of prudence on timing difference being the difference between taxable incomes and accounting income that originates in one period and are capable of reversal in one or more period.

9. IMPAIRMENT OF ASSETS:

In case of indication of impairment of the carrying amount of the Company's assets, an asset's recoverable amount is estimated. Impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. Reversal of impairment loss recognized in prior periods is recorded when there is an indication that the impairment loss recognized for the asset no longer exists or has decreased. Post impairment depreciation is provided on the revised carrying value of the asset over its remaining useful life.

10. REVENUE RECOGNITION

- i) Sales are recognized on despatch of goods to customers.

11. MISCELLANEOUS EXPENDITURE

Miscellaneous Expenditure is written off over a five year.

B) NOTES ON ACCOUNTS

1. Contingent Liabilities not provided for:
 - i) Letter of Credit established in favour of the suppliers for raw materials Rs. Nil (Previous Year Rs. Nil).
2. In the opinion of the Management all the current assets are realizable at the stated value.
3. All unsecured loans, Liabilities, Loans and advances are interest free and subject to balance confirmation and reconciliation, if any. The Management feels that there is no need of further providing for interest in the accounts.
4. The components of Deferred Tax Asset / Deferred Tax Liability in accordance with AS22 "Accounting for Taxes on Income" as on 31/3/2010 are as follows:

Payment to Auditors:

	Current Year Amount (Rs)	Previous Year Amount (Rs)
Deferred Tax Assets		
Depreciation	6466836	Nil
Gratuity Provision	208122	Nil
Provision for Leave Encashment	59851	Nil
B/F Loans		
Creation of Deferred Tax Assets	21457172	Nil
Creation of Deferred Tax Liabilities	28787429	Nil
Depreciation		

EPF Loans		Nil
Net Deferred Tax Liabilities	7320307	Nil
Net Deferred Tax Assets/Liabilities Transferred to BGS	7320307	Nil

5. Salaries and wages included

	Current Year (Rs.)	Previous Year (Rs.)
Employer Contribution to Provident Fund	248074-	Nil
Employer Contribution to ESI	146082-	Nil
	<u>395056-</u>	<u>Nil</u>

6. Payment to Auditors

	Current Year (Rs.)	Previous Year (Rs.)
For Statutory Audit	Rs. 80,000/-	Rs. 40,173/-
For Tax Audit	Rs. 15,000/-	Rs. Nil
	<u>Rs. 95,000/-</u>	<u>Rs. 40,173/-</u>

7. Managerial Remuneration

Directors Remuneration	For the year ended on 31.03.2010	For the year ended on 31.03.2009
Salary	4,20,000/-	Nil

8. Related party transactions:

Sr. No.	Name of the Party	Relationship	Nature of Transaction	Transaction amount	Outstanding amount as on 31.3.2010
1	Patel Steel & Power Ltd.	Relative of Director	Sales & Purchase	16544782	476267
2	Patel Graphic Technologies Ltd.	Holding Company	Unsecured Loan	3028847	1688607
3	Sanjay Patel	Managing Director	Director Remuneration	42000	9240
4	Patel Steel & Metal Industries Limited	Relative of Director	Sales & Purchase	3198290	241211
5	Patel Steel & Power Pvt. Ltd.	Director	Unsecured Loan	500000	28100
6	Patel Packaging Pvt. Ltd.	Director	Unsecured Loan	500000	200000

9. The Company has issued 2281200 fully paid up shares to the holding company M/s. Patel Graphic Technologies Limited at a price of Rs.50/- per share inclusive of premium of Rs.40 per share amounting to Rs.11,80,80,000/- in accordance with the provisions of the Companies Act, 1956.
10. Necessary disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006, can only be considered once relevant information to identify the suppliers who are covered the said Act are received from such parties/suppliers.
11. Additional information pursuant to provisions of Part - II, schedule VI of the Companies Act, 1956 to the extent not applicable has not been given.
12. The Company has started commercial production on 8th May, 2009 with an installed capacity of 75,000 TPA for manufacture of superior quality reinforcement CTD/TMT bars and wire rods etc.
13. Quantitative information pursuant to the provisions of paragraphs 3, 4 C and 4 D of part II of schedule VI of the companies Act, 1956. Previous Year's figures have been given in brackets.

a) Licensed, installed capacity and Actual production :

Particulars	Unit	Licensed Capacity	Installed Capacity	Actual Production
TMT Bar	MT	75000	75000	42470365

b) Particulars in respect of Sales :

Particulars	Quantity in MT	Value in Rupees
TMT	36841.893	1267968312
Wire Rod & End Cutting	818.82	6169750

c) Details of Finished Goods

Particulars	Quantity in MT	Quantity in MT	Quantity in MT	Quantity in MT
TMT	0.00	0.00	186.878	5654398
Wire Rod	0.00	0.00	189.870	2627878
End Cutting	0.00	0.00	26.878	42728
	<u>0.00</u>	<u>0.00</u>	<u>187.116</u>	<u>8699511</u>

d) Details of Raw Material consumed during the year

Particulars of	Quantity in MT	Value in Rupees
Raw Materials Ingot & Billet	44173.298	1072372481
Furnace Oil	1775.012	44575858
Total	45948.307	1117348339

e) Value of Spare parts & Components consumed during the year

Particulars	Value in Rupees
Spare and Spares Items	1241858
Total	1241858

f) Value of imports during the year (CIP Basis but Exclusive of Custom Duty)

Capital Goods Nil (nil)

g) Expenditure in foreign currency during the period

Traveling & reimbursement Nil (nil)

16. NOTE:

Schedule 1 to 19 form an integral part of the Balance Sheet with the Auditor's Report. Previous year figures have been regrouped / rearranged wherever necessary.

17. Balance Sheet Abstract and Company's General Business Profile as per Part III of Schedule VI of the Act.

1. Registration Details :
- | | |
|------------------|--------|
| Registration No. | 130509 |
| State Code | 55 |
- Balance Sheet
- | | | | |
|--|----|----|------|
| | DD | MM | YY |
| | 31 | 03 | 2010 |
2. Capital Raised during the year (Amount in Rs. Thousands)
- | | |
|--------------|-------------|
| Public Issue | Right Issue |
| Nil | Nil |

Bonus Issue Nil	Private Placement 22612
3. Position of Mobilisation and Deployment of funds (Amount in Rs. Thousands)	
Total Liabilities 633568	Total Assets 633568
Source of Funds	
Paid-up Capital 76612	Share Application Money 101904
Secured Loans 387623	Unsecured Loans 61006
Deferred Tax Liabilities 7320	
Application of Funds	
Net Fixed Assets 429261	Investments 0
Net Current Assets 204977	Invn. Expenditure 306
Deferred Tax Assets	Accumulated Losses

4. Performance of Company (Amount in Rs. Thousands)	
Turnover 1337041	Total Expenditure 1315505
Profit before Tax 21636	Deferred Tax Assets/ (Liabilities) Nil
Profit after Tax 16556	
Earning Per Share in Rs. 1.38	Dividend Nil
5. Generic Names of Principal Products / Services of Company (As per monetary terms)	
Item Code No. (ITC Code) Product Description : TMT Bar	

For Ramesh Gupta & Co.
Chartered Accountants

(Ramesh Gupta)
Proprietor
M.No.67361

(Saurabh Pathi)
Managing Director

(Raj Kumar Pathi)
Director

(S. Bhatnagar)
Chief Financial Officer

(Sandesh Jain)
Director

Place - New Delhi
Date: 22, April, 2010

RATHI GRAPHIC TECHNOLOGIES LIMITED

XVIIth AGM

Regd. Off. : A-3, Industrial Area, South of G.T. Road, Ghaziabad (U.P.)

Attendance Slip

Folio No.	
No. of Equity Shares Held	

I hereby record my presence at the XVIIth Annual General Meeting of the Company being held at A-3, Industrial Area, South of G.T. Road, Ghaziabad (U.P.) on Tuesday, the 28th day of September, 2010 at 10.00 a.m.

Name of the Shareholder :
Name of the proxy - holder / Authorised representative (In block letters)

Signature of the Shareholder/Proxy/Authorised Representative

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

Proxy Form

XVIIth AGM

RATHI GRAPHIC TECHNOLOGIES LIMITED

Regd. Off. : A-3, Industrial Area, South of G.T. Road, Ghaziabad (U.P.)

I/We of
..... being a member/members of Rathi Graphic Technologies Limited hereby appoint
Shri/Smt. / Km. of
or failing him Shri/Smt./Km. of
or failing him Shri/Smt./Km. of
as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the XVIIth Annual General Meeting of the Company to be held on the Tuesday the 28th September, 2010 at 10.00 a.m. and at any adjournment thereof.

Signed this day of 2010

Folio No.
No. of Equity Shares Held

Signature(s).....

Revenue Stamp

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

Printed at VISION MARKETING New Delhi

Book-Point

To,

If Undelivered Please return to:
Rathi Graphic Technologies Ltd.
A-3, Industrial Area,
South of G.T. Road, Ghaziabad (U.P)

