



RATHI BARS LIMITED

CIN: L74899DL1993PLC054781

Regd. Office: A-24/7, Mohan Co-operative Industrial Estate, New Delhi-110044

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BOARD'S REPORT

To
The Members of
Rathi Bars Limited,

Your directors present the Thirty First (31st) Annual Report on the business and operations of the Company along with the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024.

1. FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March, 2024 is summarized below:

Particulars	(Rs. In Lakhs)	
	F.Y. 2023-2024	F.Y. 2022-2023
Gross Revenue	61,437.24	48,263.78
Profit Before Interest, Depreciation and Tax	1,467.09	1,524.65
Less: Interest	613.30	538.80
Less: Depreciation	449.06	654.31
Profit Before Tax	404.73	331.54
Less: Provision for Tax	47.91	73.15
Profit after Tax	356.82	258.39
Balance of Profit brought forward	5,616.86	5,358.47
Balance available for appropriation	5,973.68	5,616.86

2. REVIEW OF OPERATIONS/ STATEMENT OF COMPANY'S AFFAIRS:

During the year, the Company reported revenue from operations of Rs. 61403.52 Lakhs as compared to Rs. 48,235.65 Lakhs in the previous year. The Company was able to increase its overall turnover in comparison to previous year whereas EBT during the year reported Rs. 404.73 Lakhs as compared to Rs. 331.54 Lakhs in the previous year based on the strategic planning of the management of the Company.

During the year, your Company had produced 1,15,556.799 MT Steel Bars (Including trading purchase 33,891.690 MT) and 10,127.805 MT Ingots/ Billets (Including trading purchase 10,127.805 MT) as against production of 73,130.909 MT Steel Bars (including trading purchase of 20,946.190 MT) and 8,798.740 MT Ingots/Billets (Including trading purchase 8,798.740 MT) during the corresponding period of last year.

3. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

The present Board of the Company is duly constituted. The Company has eminent individuals from diverse fields as Directors on its Board, who bring in the required skill, integrity, competence, expertise and experience that is required for making effective contribution to the Board.

The composition of the Board of the Company as of 31st March 2024 is as under:

Name Of the Director	DIN	Designation	Date of Appointment
Anurag Rathi	00063345	Managing Director	10/08/1993
Uddhav Rathi	06604905	Whole-Time Director cum CFO	13/02/2014

Chander Mohan	08679269	Non-Executive Director	30/01/2020
Sonali V Chitalkar	07602962	Independent Director	30/09/2016
Rajendra Prasad	10057339	Independent Director	08/05/2023
Shikha Chakraborty	08253713	Independent Director	12/10/2018

a) Pursuant to Section 149 of the Companies Act, 2013, Ms. Sonali V Chitalkar, Ms. Shikha Chakraborty and Mr. Rajendra Prasad are the Independent Directors of the Company.

***CHANGE IN DIRECTORS**

- In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Chander Mohan, Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible for re-appointment, has offered himself for re-appointment. He has confirmed that he is not disqualified under Section 164 of the Companies Act, 2013 and is eligible to be re-appointed as Director of the Company.
- Mr. Rajendra Prasad was appointed as an Independent Director by the members of the Company in its 30th Annual General Meeting held on 04.08.2023.

4. MEETINGS OF BOARD OF DIRECTORS:

During the Financial Year 2023-24, the Company held **Seven** Board meetings of the Board of Directors as per Section 173 of the Companies Act, 2013. The provisions of the Companies Act, 2013 were adhered to while considering the time gap between two meetings.

ATTENDANCE OF DIRECTORS IN BOARD MEETING:

S. No.	Name of the Director(s)	Number of Meetings which director was entitled to attend	Number of Meetings Attended
1.	Anurag Rathi	7	7
2.	Uddhav Rathi	7	7
3.	Chander Mohan	7	7
4.	Sonali V Chitalkar	7	7
5.	Rajendra Prasad	6	2
6.	Shikha Chakraborty	7	7

5. DECLARATION BY INDEPENDENT DIRECTORS:

Ms. Shikha Chakraborty, Ms. Sonali V Chitalkar and Mr. Rajendra Prasad are the Independent Directors of the Company. The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

Mr. Anurag Rathi, and Mr. Uddhav Rathi are related to each other in accordance with Section 2 (77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014 but Mr. Chander Mohan (Non-Executive Director), Ms. Shikha Chakraborty, Ms. Sonali V Chitalkar and Mr. Rajendra Prasad (Independent Directors) of the Company, are not related to the other Directors of the Company.

7. REMUNERATION OF DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/ SENIOR MANAGEMENT:

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section of the Act and Regulation 19 of the Listing Regulations.

The information required under Section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of the Company is as follows:

S. No.	Name	Designation	Remuneration paid for FY 2023-24 (in Rs.)	Ratio/ Times per Median of employee remuneration	Percentage Increase/ decrease in the Remuneration
1.	Anurag Rathi	Managing Director	21,60,000	9.08	12.96%
2.	Uddhav Rathi	Whole-time Director	18,00,000	7.57	16.67%
3.	Chander Mohan	Non-Executive Director	1,55,000	0.65	NA*
4.	Rajendra Prasad	Independent Director	50,000	0.21	NA*
5.	Shikha Chakraborty	Independent Director	50,000	0.21	NA*
6.	Sonali V Chitalkar	Independent Director	50,000	0.21	NA*
7.	Anamika Shukla	Company Secretary	6,15,000	2.56	8.42

Notes:

- The aforesaid details are calculated on the basis of remuneration for the financial year 2023-24 and include sitting fees paid to Directors during the financial year.
- The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- *Percentage increase/ decrease in remuneration is not applicable in case of Mr. Chander Mohan, Mr. Rajendra Prasad, Mrs. Shikha Chakraborty and Mrs. Sonali V Chitalkar as they were not getting sitting fee or any other remuneration in previous year.
- % increase/ decrease in remuneration of Ms. Anamika Shukla is calculated on the basis of 3 months remuneration as she was appointed on 27.01.2024 i.e. 3 months of F.Y. 2022-23
- The Company has total 99 permanent employees as on 31.03.2024 on roll.
- The Company has paid remuneration to all its director as per the remuneration policy.

8. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

In the opinion of the Board, Independent Directors of the Company possess required integrity, expertise and experience necessary for administrative working in the steel industry.

9. WEB LINK OF ANNUAL RETURN, IF ANY:

Pursuant to the provisions of Section 134(3)(a) and Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Draft Annual Return of the Company as at 31st March, 2024 is uploaded on the website of the Company at <http://erp.tsnet.in:8080/rathisteels/annual-report/>.

10. DIVIDEND:

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

11. SHARE CAPITAL:

The Authorized Capital of the Company is Rs. 18,00,00,000/- (Rupees Eighteen Crores Only) and the Paid-up Capital of the Company is Rs. 16,33,03,570/- (Rupees Sixteen Crores Thirty-Three Lakh Three Thousand Five Hundred Seventy only). There is no change in paid up capital of the Company during the year under review.

12. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

13. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the Company during the financial year 2023-24.

14. TRANSFER TO RESERVES:

The Board of Directors has decided to retain the entire amount of profit for the Financial Year 2023-24 in the statement of profit and loss.

15. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis as required in terms of the SEBI Listing Regulations forms part of this Integrated Report and Annual Accounts 2023-24 (Annexure 1).

16. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

There is no such amount required to be transferred to the Investor Education and Protection Fund in accordance with the provisions of Section 125 of the Companies Act, 2013 and Rules made thereunder.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has no Subsidiary, Joint Venture or Associate Company.

18. BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board's composition and structure, effectiveness of Board's processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of Committee Meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

19. NOMINATION & REMUNERATION POLICY:

The Board has, on the recommendation of the Nomination & Remuneration Committee (NRC) framed a policy for the selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualification, positive attributes, independence of the directors and other matters provided under sub section (3) of section 178. The Remuneration Policy has been disclosed on the website of the listed entity which can be accessed through http://erp.tsnet.in:8080/rathisteels/wp-content/uploads/2024/04/RBL_NR-Policy.pdf

20. CORPORATE SOCIAL RESPONSIBILITY:

The Companies Act, 2013 introduced the concept of CSR pursuant to Section 135 while the eligibility criteria don't cover your Company.

21. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in order to ensure that the activities of the Director(s) and employee(s) are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the Company has adopted a Vigil Mechanism policy. This policy has been prepared for directors and employees to report their genuine concerns in the interest of the Company and its stakeholders.

22. AUDIT COMMITTEE AND ITS COMPOSITION:

As per Section 177(2) and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the composition of Audit Committee as on 31st March, 2024 is as follows:

NAME	DESIGNATION	CATEGORY
Ms. Sonali V Chitalkar	Chairperson	Independent Director
Ms. Shikha Chakraborty	Member	Independent Director
Mr. Uddhav Rathi	Member	CFO

23. AUDITORS:

A. STATUTORY AUDITORS:

Pursuant to Section 139 of the Act and Rules made thereunder, the members of the Company in their 30th Annual General Meeting held on 04.08.2023 approved the appointment of M/s M/s Masar & Co. Chartered Accountants (FRN: 033829N) as Statutory Auditors for tenure of 5 (five) years, to examine and audit the accounts of the Company during the said period.

a) STATUTORY AUDITOR'S REPORT:

The Auditor's Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark and therefore do not call for any further comments. The Auditors' Report is enclosed with the financial statements in this Annual Report.

B. SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of Listing Regulations, the Company has appointed M/s PWR Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

a) SECRETARIAL AUDITOR'S REPORT:

The Secretarial Auditor's Report for financial year 2023-24 is annexed herewith as **Annexure-2**. The Board of Directors gave the suitable and satisfactory reply on each observation raised by the Secretarial Auditor.

C. INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Company has appointed Mr. Jagdish Chugh, Accounts Manager to undertake the Internal Audit of the Company for f.y. 2023-24.

D. COST AUDITORS:

Pursuant to Section 148(2) of the Companies Act, 2013 read with Rule 14 of the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is required to get its cost accounting records audited by a Cost Auditor. The Directors, on the recommendation of the Audit Committee, appointed M/s Avnesh Jain & Co. (Cost Accountants) to undertake the Cost Audit of the Company. The remuneration payable to the Cost Auditor is required to be ratified by the shareholders at the ensuing AGM.

a) Disclosure on maintenance of Cost Records:

The Company made and maintained the Cost Records under Section 148 of the Companies Act, 2013 for the Financial Year 2023-24.

24. REPORTING OF FRAUDS BY AUDITORS:

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in Director's Report.

25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year under review, the Company has not advanced any loans or given guarantees or made investments. However, the details of investments already made by the Company are as follow:

S. No.	Name of Party	Particulars of Investments	Nature	Purpose for which it shall be used	Amount (In Rs)
1.	Gordhan Das Rathi Steels Limited	Purchase of Shares	Investment	Revenue generation	7,66,289.00
2.	National Saving Certificate (NSCs)	Purchase of securities	Investment	Revenue generation	6,045.00
TOTAL					7,72,334.00

26. INDUSTRIAL RELATIONS:

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

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review, there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Corporation in future.

28. STATUS OF LISTING:

The Company's shares are listed at Bombay Stock Exchange Ltd. The Company has paid the listing fees to the Stock Exchange, Mumbai for the year 2024-25.

29. PUBLIC DEPOSITS:

Your Company has not invited or accepted any deposits from the Public during the year and there were no unpaid and unclaimed deposits as on March 31, 2024. Hence, no information is required to be appended to this Report in terms of Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India Directions, 1998).

30. PARTICULARS OF EMPLOYEES:

None of the Employee was drawing remuneration in excess of the limits laid by the Companies Act, 2013 as specified under Rule 5(2) and Rule 5 (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The manufacturing unit of the Company has continued their efforts to reduce their average energy consumption year on year basis. Some of the key measures taken by the Company are as follows:

Information as required under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, our Director furnish following information as required.

A) CONSERVATION OF ENERGY:

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

Some of the energy conservation steps taken are as follow:

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

B) During the year under review, the Company has consumed 3,31,50,771 units of electricity and 1,000 liters of Diesel. However the Company has discontinued the consumption of coal.

C) TECHNOLOGY ABSORPTION:

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

D) FOREIGN EXCHANGE EARNINGS AND OUTGO (IN Rs):

During the year under review:

Foreign Exchange Earned:	NIL
Foreign Exchange Outgo:	NIL

32. COMPLIANCE OF SECRETARIAL STANDARD:

The Company has complied with Secretarial Standards as prescribed by the Institute of Companies Secretaries of India and as per section 118 (10) of the Companies Act, 2013.

33. CORPORATE GOVERNANCE:

A report on Corporate Governance, a Certificate from the Statutory Auditors of the Company M/s. Masar & Co., Chartered Accountants, confirming the compliance with the conditions of Corporate Governance, Management Discussion and Analysis Report and Managing Director's Report are made part of the Annual Report.

34. RELATED PARTY TRANSACTIONS:

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. However, transactions entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year are mentioned in Note No. 2(e) of the Financial Statements.

35. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors Responsibility Statement, the Board of Directors hereby state and confirm that: -

- i) in the preparation of the annual accounts for the Financial Year 2023-24, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the financial year 31st March, 2024 and of the Profit & Loss of the Company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis;
- v) the Directors have laid down Internal Financial Controls to be followed in the Company and that such Internal Financial Controls are adequate and were operating effectively;
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

36. BUSINESS RISK MANAGEMENT:

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board Members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the Risk Management Policy for the Company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk-related issues. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk etc. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

37. INTERNAL FINANCIAL CONTROL:

The Board has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The Internal Auditor of the Company checks and verifies the internal control and monitors them in accordance with policy adopted by the Company.

38. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016. DURING THE YEAR:

During the year under review, there were no application made or proceedings pending in the name of the Company under the Insolvency & Bankruptcy Code, 2016.

39. DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING A LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS:

During the year under review, there has been no one-time settlement of loans taken from Banks and Financial Institutions.

40. DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

Pursuant to the legislation 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', the Company has a policy on Prevention of Sexual Harassment at Workplace. During the year under review, no complaint has been received from employees. There was no other case reported during the year under review under the said policy.

ACKNOWLEDGEMENTS:

The Board thanks the customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. The Board places on record its appreciation of the contribution made by employees at all levels. The Company's resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support. The Board thanks the Government of India, the State Governments and other regulatory authorities and government agencies for their support and looks forward to their continued support in the future.

By order of the Board of Directors
For Rathi Bars Limited

Date: 30.08.2024
Place: New Delhi


Anurag Rathi
(Managing Director)
DIN:00063345


Uddhav Rathi
(WTD and CFO)
DIN:06604905