

**RCI INDUSTRIES & TECHNOLOGIES
LIMITED**



**ANNUAL REPORT
2016-2017**

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CORPORATE INFORMATION

Board of Directors

Mr. Rajeev Gupta - Chairman & Managing Director
Mrs. Mamta Gupta - Non-Executive Director
Mr. Raj Singh Jamwal - Independent Director
Mr. Anil kumar Jain - Independent Director

Nomination & Remuneration Committee

Mr. Raj Singh Jamwal - Chairman
Mr. Anil kumar Jain - Member
Mrs. Mamta Gupta - Member

Audit Committee

Mr. Raj Singh Jamwal - Chairman
Mr. Anil kumar Jain - Member
Mr. Rajeev Gupta - Member

Shareholder Grievance Committee

Mr. Raj Singh Jamwal - Chairman
Mr. Anil kumar Jain - Member
Mr. Rajeev Gupta - Member

CSR Committee

Mr. Raj Singh Jamwal - Chairman
Mr. Anil kumar Jain - Member
Mr. Rajeev Gupta - Member

Key Managerial Personnel

Mr. Rajeev Gupta - Chairman & Managing Director
Mr. Abhishek Kedia - Company Secretary & Compliance Officer
Mr. I.P. Saboo - Chief Financial Officer

Independent Auditors

RPMD & Associates.
Chartered Accountants
AB-17, First Floor,
Shalimar Bagh, Delhi – 110088

Share Transfer Agents

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

Registered Office

B-97, All Heavens Building,
Wazirpur Ring Road
Delhi – 110052
Email: abhishek@rciind.com
Website: www.rciind.com

Listed in Stock Exchanges

Bombay Stock Exchange

CHAIRMAN'S MESSAGE

Dear Fellow Shareowners,

It is with enormous satisfaction I present to you the highlights of our Company's performance for the financial year ended March 31, 2017. The year 2016 has been a turning point for our Company on many counts. The most important of these was start of the successfully-completed acquisition of M/s Devi Metal Technologies, a manufacturer of copper strips, foils, coils & sheets in Baddi, Himachal Pradesh which will take the company to a different platform to unfold their expertise to the next level

Our Company has continued to maintain its strong position in the trade and manufacture of copper products. Our ability to offer a complete portfolio of flat and round products in copper, brass and to a small extent in stainless steel and special alloys has made us a preferred partner with our customers.

The focus of the company will continue to deliver value to our clients; to contribute to the manufacturing drive of the nation; give career & growth opportunities to our employees and grow profitability ultimately leading to maximization of shareholder value & return.

In the past year, we saw that the global economic scenario continue to be weak. However, India is amongst one of the fastest growing major economies in the world but growth was muted on account of various factors like policy reform setbacks, stress in Indian banking industry and lack of private sector investments amongst others. This affected growth and profitability of companies across sectors.

Seeing the trend continue, we have concentrated our efforts on bringing in efficiencies through shift towards manufacturing, investment in plant and machinery, process improvement, cost optimization and technology enhancement.

We believe that quality and innovation go hand in hand and have made significant steps in increasing are foothold as a strong contender in the copper product segment. Maintaining product quality, timely deliver and ability to cater to large volume demand are the focal points of our business strategy and we will endeavour to maintain our strengths.

In the past year, RCI acquired Devi Metal Technologies a partnership firm engaged in manufacturing copper, brass, stainless steel strips, sheets and coils. The unit is located in a tax-exempt zone at Baddi, Himachal Pradesh. The unit has state-of-the-art machinery and infrastructure to cater to special alloy products as well.

We planned to increase the production capacities of the unit in phase manner to capture the sizable market in the segment

We are confident that in the coming years, along with the growth in domestic consumption & growth in economy, we will not only emerge as a leading manufacturer in India but increase our global footprint.

BUSINESS PERFORMANCE:

The consolidated financial performance for the 12 months ended March 31, 2017, is as follows:

- Total revenue from operations at Rs. 173,483 Lakhs for the year ended March 31, 2017, as against Rs. 127,019 Lakhs for the corresponding previous period, supported by increase in volumes and revenues
- EBIDTA at Rs. 5,233 Lakhs for the year ended March 31, 2017, as against Rs. 2,873 Lakhs for the corresponding previous period, an jump of 182%
- PAT of Rs. 3,583 Lakhs for the year ended March 31, 2017, as against Rs. 1,493 Lakhs for the corresponding previous period, a jump of 240%
- EPS for the year ended March 31, 2017 was Rs. 26.67 for a face value of Rs. 10 per share

FUTURE PLANS:

With the Government's focus on growth of manufacturing in India we expect that the domestic consumption of copper will rise and domestic manufacturers will benefit from it. This rise in demand will come from sectors like power, telecom, automobile, railway and defense.

We are consciously shifting from trade to manufacturing. We have acquired a manufacturing unit in Baddi, Himachal Pradesh and are expanding capacity. This unit will focus on flat products which are value added products in this segment.

Going forward, we will continue to focus on value added segments and sectors such as Defence, Mint, and Aircraft industry. We will leverage our diversified network and products to further strengthen our product portfolio. Our Company also plans to manufacture a unique tape (copper and stainless steel) for industrial applications. This is currently imported.

Quality remains the core our success and we have continued and will continue to invest considerable efforts in this direction to provide high quality products to our customers. Employee engagement is another pillar of our growth strategy. I believe that our existing talent pool will enable us to outperform our peers and meet our obligations as an organization to all our stakeholders.

We are grateful for the continued support of our customers, employees, partners, shareholders, business associates and society at large, for their faith in us. We would not be able to make the progress we are making without their support. We are also fortunate to have a dedicated and conscientious Board of Directors, employees and project teams. Together, we are working diligently with one goal in mind that RCI Industries & Technologies would be known as single window solution for ferrous and nonferrous products i.e. Strips, Foils, Coils and Sheets etc.

Thank You



RCI INDUSTRIES & TECHNOLOGIES LIMITED

Regd. Office: B-97, All Heavens Building, Wazirpur, Ring Road, Delhi-110052,
Tel: +91 11 27372194, 27372197, Fax: +91 11 27371334
Web: www.rciind.com, Email: abhishek@rciind.com
CIN: L74900DL1992PLC047055

NOTICE

26TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 26TH ANNUAL GENERAL MEETING OF THE MEMBERS OF RCI INDUSTRIES & TECHNOLOGIES LIMITED WILL BE HELD ON FRIDAY, THE 29TH DAY OF SEPTEMBER, 2017 AT 09:30 A.M. AT ITS REGISTERED OFFICE B-97, ALL HEAVENS BUILDING, WAZIRPUR RING ROAD, DELHI-110052 TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company - on Standalone & Consolidated basis, for the Financial Year ended March 31, 2017 including Balance Sheet as at March 31, 2017, the Statement of Profit and Loss for the Financial Year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Mamta Gupta (DIN 00503302), who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of the Auditors of the Company and their remuneration fixed at the 23rd Annual General Meeting of the Company held on July 24, 2014, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT, pursuant to first proviso to Section 139(1) and Section 142 of the Companies Act, 2013, read with the rules made thereunder including any statutory modification or re-enactment thereof, for the time being in force and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, and pursuant to the resolution passed by the Members at the Annual General Meeting of the Company held on July 24, 2014, the appointment of M/s. RPMD & Associates, Chartered Accountants, New Delhi (Firm Registration No. 005961C), as the Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2019 be and is hereby ratified at such remuneration as may be recommended by the Audit Committee and mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be considered necessary, proper or expedient in order to give effect to the above resolution.”

SPECIAL BUSINESS:

ITEM NO.1

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

1. To Issue up to 6,67,000 (Six Lakh Sixty Seven Thousand) Equity Shares to Mr. Rajeev Gupta, Promoter of the Company on Preferential basis

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 62(1)(c), and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital & Debentures) Rules, 2014 and the Companies (Prospectus & Allotment of Securities) Rules, 2014 (including any amendment thereto or re-enactment thereof), and in accordance with the provisions of the Articles of Association of the Company and the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI (ICDR Regulations)”) and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 (“SEBI(LODR) Regulations) and subject to approval of any regulatory or statutory authority, the consent of members of the Company be & is hereby accorded to issue, offer and allot 6,67,000 number of equity shares of the face value of Rs. 10 each at a minimum price of Rs. 225 (including a premium of Rs. 215) per equity share to Mr. Rajeev Gupta, Promoter of the Company on Preferential Basis, aggregating upto Rs. 15,00,75,000/- (Rupees Fifteen Crore Seventy Five Thousand only) on such terms and conditions as mentioned in the explanatory statement.

RESOLVED FURTHER THAT

- i) The “relevant date” for the preferential issue, as per the SEBI (ICDR Regulations), as amended from time to time, for the determination of minimum price for the issue of the above mentioned Equity Shares shall be 30th August, 2017 being the date 30 days prior to the date of Annual General Meeting (i.e. 29th September, 2017).
- ii) The Equity Shares to be issued and allotted shall be listed and traded on BSE Limited and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- iii) The Equity Shares allotted to the subscriber shall rank pari passu with the existing Equity Shares of the Company in all respect, from the date of their allotment. Such new Equity Shares when issued and allotted as aforesaid shall also be entitled for dividend as per the regulations / notifications / clarifications issued by SEBI in this regard;
- iv) The Equity Shares allotted on a preferential basis shall remain locked in as per the provisions of SEBI (ICDR Regulations), 2009;
- v) The Board be and is hereby authorized to accept any modification(s) to or modify the terms of issue of Equity Shares, subject to the provisions of the Act and SEBI (ICDR Regulations), without being required to seek any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the Company hereby takes note of the Certificate from the Statutory Auditor of the Company certifying that the above issue of the equity shares is being made in accordance with the ICDR Regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, to do all such acts, matters, deeds and things and to take all such steps and to do all such things and give all such directions, as the Board may consider necessary, expedient or desirable, including without limitation, to prescribe the forms of application, allotment, to enter into any agreements or other instruments, and to take such actions or give such directions as may be necessary or desirable and to settle any question or difficulty that may arise with regard to the issue and allotment of Equity Shares.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolutions to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution.”

Date: 02.09.2017
Place: New Delhi

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

Sd/-
Mr. Abhishek Kedia
Company Secretary & Compliance Officer
M. No. A33537

IMPORTANT NOTES:

1. The Company has fixed the record date of **September 1, 2017** for determining the entitlement of shareholders to receive Annual Report of the Financial Year 2016-17.
2. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, September 26, 2017 to Thursday, September 28, 2017 (both days inclusive).
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which set out the details relating to Special Business at the meeting, is annexed to this notice.
4. ***A MEMBER ENTITLED TO ATTEND & VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND & VOTE ON A POLL AT THE MEETING ON HIS/HER BEHALF.*** A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 A person shall not act as proxy for more than 50 (fifty) members and hold in aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

5. A blank Proxy form (MGT -11) is being sent herewith. The instrument appointing Proxy in order to be effective, duly stamped, completed and signed, should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
6. Corporate Members intending to send their authorized representative to attend the meeting are requested to send (in advance) at the Registered Office of the Company, a duly certified copy of the relevant Board Resolution/ Letter of Authority/ Power of Attorney, together with the respective specimen signatures of those representative(s), pursuant to Section 113 of the Companies Act, 2013, authorizing their representative(s) to attend and vote on their behalf at the Annual General Meeting.
7. The Attendance Slip and a Proxy Form with clear instructions for filing, stamping, signing and/or depositing the Proxy Form are enclosed. Members/Proxy holder must bring the attendance slip (attached herewith) duly signed, to the meeting and handover it at the entrance of the meeting hall. The Members are informed that 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.
8. Route map of the venue of the meeting forms part of the Notice calling the Annual General Meeting.
9. Guidelines for attending the ensuing Annual General Meeting of the Company:
 - Entry to the Auditorium/Hall will be strictly against entry coupon available at the counter at the venue and against the exchange of duly filled in, signed and valid Attendance Slip.
 - Any briefcase/ bags/ eatables or other articles are not allowed inside the Auditorium/Hall.
 - Member(s) are requested to bring the copy of the Annual Report to the meeting.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
11. Inspection:
 - All documents referred to in the Notice and Annual Report will be available for inspection by the members at the Registered Office of the Company on all working days (except Sundays and Public Holidays) from 2:00 P.M. to 4:00 P.M. upto the date of Annual General Meeting.
 - The Register of Directors' and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.
 - A member can inspect the proxies lodged at any time during the business hours of the Company from the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting and ending with the conclusion of the said meeting, provided he/she has given to the Company a notice, in writing, of his intention to inspect not less than three days before the commencement of the said meeting.

12. The Company has appointed M/s. Bigshare Services Private Limited, New Delhi as the Registrar and Share Transfer Agent. Members are requested to notify immediately about any change in their postal address/ e-mail address/ bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to the Company's new Registrar and Share Transfer Agent, M/s Bigshare Services Private Ltd at E4/8, Block E 4, Jhandewalan Extension, Jhandewalan, New Delhi, Delhi 110055. Shareholders holding Equity Shares of the Company in physical form may register their E-Mail address with the Registrar and Share Transfer agent of the Company to receive all communications by the Company including Annual Report and Notice of Meeting(s) by E-Mail, by sending appropriate communication on bssdelhi@bigshareonline.com
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
14. Details under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment. The Notice of Annual General Meeting, Annual Report and Attendance Slip are being sent in electronic mode to the members whose E-mail address are registered with the Company/Depository Participants(s) unless any member has requested for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those members who have not registered their E-mail address with the Company. The said documents may also be accessed on the Company's website viz. www.rciind.com, on the BSE's website viz. www.bseindia.com and also on the NSDL's website viz. www.evoting.nsdl.com
15. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/Demat form, the nomination form may be filed with the respective Depository Participant.
16. E-Voting:
 - I. In compliance with Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 as may be amended from time to time, Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and Secretarial Standard-2 issued by Institute of Company Secretaries of India, the Company is delighted to offer E-Voting facility to the Members of the Company to exercise their right to vote at the 26th Annual General Meeting (AGM) by electronic means in respect of the resolutions contained in this notice. The facility of casting the votes by the members using an electronic voting system ("remote E-Voting") from a place other than the venue of the AGM will be provided by National Securities Depository Limited (NSDL) for all the businesses as detailed in the notice.
 - II. The members who have cast their votes by remote e-voting prior to the date of AGM may also attend the AGM but shall not be entitled to cast their vote again. Please note that E-Voting is an alternate mode to cast votes and is optional. In case Members cast their vote both via physical ballot paper and

E-Voting, then voting through E-Voting shall prevail and voting done by ballot paper shall be treated as invalid.

- III. The remote E-voting period for all items of business contained in this notice shall commence on 26th September, 2017 (9:00 am) and ends on 28th September, 2017 (5:00 pm). The E-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by any member, the member shall not be allowed to change it subsequently.
- IV. The cut-off date for determining the eligibility of shareholders to exercise remote E-Voting rights and attendance at 26th Annual General Meeting (AGM) is September 23, 2017. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date, shall be entitled to avail the facility of E-Voting or voting at the meeting through ballot paper. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
- V. The facility for voting through ballot paper will be made available by the Company at the AGM and the members attending the meeting who have not casted their vote by remote E-Voting, will be able to exercise their right at the meeting through ballot paper. The members who have casted their vote by remote E-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- VI. At the AGM, the Chairman of the meeting shall after discussion on all the resolutions on which voting is to be held, allow voting by use of Ballot/Poll Paper by all those members who are present at the meeting but have not cast their votes by availing the remote E-Voting facility.
- VII. The Board of Directors of your Company have appointed Ms. Kiran, Practicing Company Secretary (COP No.: 14168) as the Scrutinizer for conducting the voting through electronic voting system or through polling paper at the AGM, in fair and transparent manner.
- VIII. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 23, 2017, may obtain the login ID and password by sending a request E-mail at evoting@nsdl.co.in or Issuer/RTA by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with NSDL for remote E-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- IX. Members are requested to carefully read the instructions for E-Voting before casting their vote.
- X. The Scrutinizer shall, immediately after the conclusion of voting at the AGM will first count the votes cast at the meeting and thereafter unblock the votes cast through remote E-Voting in the presence of at least two witnesses not in the employment of the Company and shall submit, not later than 48 (forty eight) hours of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes

cast in favour or against, if any, to the Chairman, or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.

XI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company viz. www.rciind.com and on the website of NSDL www.evoting.nsdl.com. and shall also be communicated to the BSE Limited.

XII. The process and manner for remote E-voting are as under:

A. **IN CASE A MEMBER RECEIVES AN EMAIL FROM NSDL** [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- Open email and open PDF file viz; “RCI remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote E-voting. Please note that the password is an initial password.
- Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- Click on Shareholder – Login
- Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- Select “EVEN” of “RCI Industries & Technologies Ltd.”.
- Now you are ready for remote e-voting as Cast Vote page opens.
- Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- Upon confirmation, the message “Vote cast successfully” will be displayed.
- Once you have voted on the resolution, you will not be allowed to modify your vote.
- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cskiranawal@gmail.com with a copy marked to evoting@nsdl.co.in

B. **IN CASE A MEMBER RECEIVES PHYSICAL COPY OF THE NOTICE OF AGM** [for members holding shares in dematerialized form whose email IDs are not registered with the Company/Depository Participants(s) and Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report]:

- Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
107698		

➤ Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

XIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads Section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

XIV. If you are already registered with NSDL for remote E-voting then you can use your existing user ID and password/PIN for casting your vote.

XV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

NOTE: The Facility for Voting shall be decided by the Company i.e. “remote e-voting” or “Ballot Paper” or “Poling Paper”

EXPLANATORY STATEMENT

ORDINARY BUSINESS:

EXPLANATORY STATEMENT PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS,2015

Name of the Director	Mrs. Mamta Gupta
DIN	00503302
Date of Birth	02.03.1968
Type of appointment	Liable to retire by rotation
Date of Appointment/ Re-appointment	24.01.2009
Areas of Specialization	Leadership, legal, regulatory, information security and compliance requirement of the industries
Qualifications	Graduate
No. of Shares Held in the Company	5,69,090 (4.24%)
Justification for appointment	Promoter Director
Chairman/member of the Committee of the Board of Directors of this Company	Member- Nomination & Remuneration Committee
Chairman/member of the Committee of the Board of Directors of other listed Companies or holding Directorship in any other listed company	Nil
Relation with Key Managerial Personnel and Directors	Wife of Mr. Rajeev Gupta

SPECIAL BUSINESS:

Item No.1

To Issue up to 6,67,000 (Six Lakh Sixty Seven Thousand) Equity Shares to Mr. Rajeev Gupta, Promoter of the Company on Preferential basis

The Company is engaged in carrying on business of manufacturing of Copper Wire, Lead Free Solders, Tin-alloy solders, Copper, Brass, Stainless Steel-Strips/Foils/Coils as well as international & domestic trading of ferrous and non-ferrous metals used in various electrical and industrial applications.

The Company has purchased the Factory Land and Building admeasuring 7,749 sq. m. under the e-auction from State Bank of India, adjacent to the existing unit “RCI Strips” (a unit of RCI Industries & Technologies Limited) located in Baddi, Himachal Pradesh with an aim of increasing the total manufacturing capacity to 24000 MT per annum for the manufacture of Copper and Copper Alloys/Brass/Strips/Sheets/Foils/Coils/Wires etc and the Company is in the process of installing new and upgraded plant & machineries leading to increased production and sales turnover. Further, the Company is also in the process of expansion and modernisation of its existing unit RCI Copper located in Nalagarh.

Hence, the Company is envisaging to expand its manufacturing units via technological upgradations, purchasing land & building & also by improving the infrastructure of the Company. Therefore, Company require funds for fulfilling the requirements of expansion & also for various long term working capital and general corporate purposes. To augment the growth and improve the financial performance of the Company, the Company has approached Mr. Rajeev Gupta, Promoter of the Company, to infuse fresh funds in the Company.

Board of Directors at its meeting held on September 2, 2017, after considering the various sources for sourcing funds for this investment; while at the same time maintaining public shareholding at 25% post issue, deemed it appropriate to create, issue, offer and allot 6,67,000 Equity Shares of a face value of Rs. 10 each at a minimum price of Rs. 225 (including a premium of Rs. 215) per equity share to Mr. Rajeev Gupta, Promoter of the Company on Preferential Basis, aggregating upto Rs. 15,00,75,000/- (Rupees Fifteen Crore Seventy Thousand only).

Pursuant to provisions of Section 62 (1) (c) read with Section 42 of Companies Act, 2013, any preferential allotment of securities needs to be approved by the shareholders by way of Special Resolution. The SEBI (LODR), Regulations 2015 also provide that the Company shall, in the first instance, offer all securities for subscription pro-rata to the shareholders unless the shareholders in a general meeting decide otherwise. The proposed issue of shares is in accordance with the provisions of SEBI (ICDR Regulations) and other applicable regulations, if any. In terms of the provisions of the Companies Act, 2013 read with Rule 13 (2) of the Companies (Share Capital and Debentures) Rules, 2014 and the aforesaid SEBI (ICDR Regulations), the relevant disclosures are given:

- **The Object of the Issue through Preferential Offer:**

The proceeds will be utilized:

- To expand and modernise the newly acquired Factory Land and Building in Baddi, Himachal Pradesh
- To expand and modernise the existing unit - RCI Copper, Nalagarh
- To fulfill the need of Working Capital requirements and for other general Corporate purposes.

- **Issue Size, number of Equity Shares to be issued & price thereof:**

PROPOSED ALLOTTEE	NUMBER OF SHARES ALLOTTED	FACE VALUE PER SHARE	PREMIUM PER SHARE	AMOUNT

Rajeev Gupta	6,67,000	10	215	15,00,75,000
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- **The Intention of the Promoters / PAC / Directors / Key Managerial Personnel to subscribe to the offer:**

The intention of the Promoter & Director to subscribe to the offer is to contribute in the Capital expenditure of the Company during the current financial year in order to build new growth of the Company.

None of them are in anyway concerned or interested financially or otherwise in this Resolution.

- **Relevant Date:**

The relevant date for the preferential issue, as per the SEBI (ICDR Regulations), as amended from time to time, for the determination of price for the issue of the above mentioned Equity Shares shall be **August 30, 2017** being the date 30 days prior to the date of Annual General Meeting (i.e. **September 29, 2017**)

- **Proposal of the Promoters / Directors / KMP to subscribe in preferential issue**

The contribution of Mr. Rajeev Gupta, Promoter and Managing Director of the Company to subscribe in preferential issue is of 6,67,000 Shares.

- **Pricing of Preferential Issue:**

The Equity Shares will be allotted in accordance with the price determined in terms of Regulation 76 of the SEBI (ICDR Regulations). The trading price of securities of the Company on the stock exchanges is taken into consideration for determining the pricing of securities allotted on preferential basis.

Accordingly, the price per Equity Share to be issued is fixed at Rs. 225 (including premium of Rs. 215) which is not less than higher of the following:

- The average of the weekly high and low of the volume weighted average price at the BSE for 26 weeks prior to the Relevant Date and
- The average of the weekly high and low of the volume weighted average prices at the BSE for 2 weeks prior to the Relevant Date.

Since the Company is listed on Bombay Stock Exchange (BSE Limited), price of equity shares need not be decided by the Registered Valuer.

- **Identity of Natural person and shareholding thereof**

NAME OF THE ALLOTTEE	CLASS OF SUCH ALLOTTEE	IDENTITY OF NATURAL PERSONS/ BENEFICIAL OWNERS	SHAREHOLDING	
			PRE-ISSUE HOLDING	POST ISSUE HOLDING
Rajeev Gupta	Promoter - Resident Individual	NA	35.46%	38.51%

- **Terms of Issue of Equity Shares:**

The issue is authorized by Articles of Association of the Company.

The consideration price of the equity shall be received from Allottee's bank accounts;

The entire Pre Preferential Allotment Shareholding of the allottees, if any, shall be locked in from the relevant date up to a period of six months from the date of Trading Approval to be received from the Stock Exchanges.

Note: -

1. None of the Directors of the Company, nor the Key Managerial Personnel of the Company nor their respective relatives are in any way concerned or interested, financially or otherwise except to the interest of their subscription in this Resolution.
2. In this notice, preferential issue includes private placement.

Shareholding Pattern before and after the preferential issue:

Sl. No.	Category of Shareholder	Pre-issue		Post-issue	
		Total number of shares held	% of share equity holding	Total number of equity shares held	% of equity share holding
A	Shareholding of Promoter and Promoter group				
1	Indian				
	Individuals	5336465	39.72	6003465	42.56
	Bodies Corporate	3240150	24.11	3240150	22.97
Sub Total A (1)		8576615	63.83	9243615	65.53
2.	Foreign Promoters	0	0	0	0
Sub Total A (2)		0	0	0	0
Total Shareholding of Promoter group A(1)+A(2)		8576615	63.83	9243615	65.53
B	Public Shareholding				
1.	Institutional Investors	0	0	0	0
2.	Non Institutions:				
	Private Corporate Bodies	1147892	8.54	1147892	8.14
	Directors/Relatives	0	0	0	0
	Indian Public	3579187	26.64	3579187	25.38
	Others (including NRIs)	132721	0.99	132721	0.94
Total Public Shareholding (B)		4859800	36.17	4859800	34.46
Grand Total A+B		13436415	100.00	14103415	100.00

- **Proposed time limit within which the allotment shall be completed:**

As required under the SEBI (ICDR Regulations), the allotment of Equity Shares pursuant to the Special Resolution shall be completed within a period of fifteen days from the date of passing of the Special Resolution approving allotment.

Provided that where the allotment is pending on account of any such approval of allotment by any regulatory authority including stock exchanges or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

- **Change in the Control or Composition of the Board:**

There will neither be any change in the composition of the Board nor any change in the Control of the Company on account of the proposed preferential allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment.

- **Auditors' Certificate:**

It is proposed to obtain a certificate from M/s. RPMD & Associates, Statutory Auditors of the Company, certifying that the issue of Equity Shares is being made in accordance with the SEBI (ICDR Regulations), 2009 and shall be placed before AGM.

- **No allotments have been made to any person during the current financial year 2017-18**

- **Undertaking:**

In terms of SEBI (ICDR) Regulations, 2009 issuer hereby undertakes that:

a) It shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

b) if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the Allottee.

Section 62 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, inter alia, provides that whenever it is proposed to increase the subscribed capital of a company by issue of further shares, such shares may be offered to any persons, whether or not those persons are holders of the equity shares of the company, if so authorized by way of a Special Resolution.

Furthermore, as per Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to securities on a private placement basis, is required to obtain prior approval of the Members by way of a Special Resolution, for each of the offer and invitation.

All the documents referred to in these resolutions shall be available for inspection at the registered office of the Company on any working day between 02:00 p.m. and 04:00 p.m., and will also be available for inspection at the Annual General Meeting.

The Board recommends the above mentioned resolution to be passed as a Special Resolution.

None of the Directors of the Company, nor the Key Managerial Personnel of the Company nor their respective relatives are in any way concerned or interested, financially or otherwise except to the interest of their subscription to the offer, in this Resolution.

Date: 02.09.2017
Place: New Delhi

By Order of the Board
For **RCI Industries & Technologies Ltd.**
Sd/-
Mr. Abhishek Kedia
Company Secretary & Compliance Officer
M. No. A33537

DIRECTORS' REPORT

**TO,
THE MEMBERS,**

Your Directors have pleasure in presenting the 26th (Twenty Sixth) Annual Report on the business and operations of the Company together with the audited accounts for the financial year ended March 31, 2017

FINANCIAL RESULTS

The financial performance of your Company for the financial year ended March 31, 2017 is summarized below:-

<i>Particulars</i>	<i>Standalone – Year Ended</i>		<i>Consolidated – Year Ended</i>	
	<i>Year ended on 31st March, 2017</i>	<i>Year ended on 31st March, 2016</i>	<i>Year ended on 31st March, 2017</i>	<i>Year ended on 31st March, 2016</i>
Revenue from Operations'	13,839,977,093	11,478,991,527	17,348,301,452	12,701,929,678
Other Income	22,772,365	8,855,742	22,799,435	8,855,742
Total Income	13,862,749,458	11,487,847,269	17,371,100,887	12,710,785,420
Total Expenses	13,757,127,651	11,435,968,631	16,977,813,899	12,544,311,816
Profit/(Loss) before extraordinary items and tax	105,621,807	51,878,638	393,286,988	166,473,604
Less: Tax Expenses			34,939,154	17,205,894
Current Tax	28,822,170	17,529,097	28,843,317	17,529,097
Deferred Tax	6,082,863	(330,372)	6,116,984	(323,203)
Minimum Alternate Tax	-	-	(21,147)	-
Profit/(Loss) for the period	70,716,775	34,679,913	358,347,834	149,267,710

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affects the financial position of the Company.

RESERVES & SURPLUS

The Company's reserve & surplus for the financial year ended March 31, 2017 is Rs. 896,516,831 as compared to the previous year it was 359,344,900.

DIVIDEND

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

BUSINESS PERFORMANCE REVIEW

Your Company achieved an all-time high performance both in the turnover and its profits. The gross revenues touched Rs. 13,862,749,458 and the profit after taxes recorded was Rs. 70,716,775. Your Company coupled high level of modernization with, concentrated efforts of both Management and employees, the whole hearted support of Banks, suppliers and customers to attain these levels of performance. The earnings per equity share (of face value Rs. 10) for the year 2016-17 has increased from Rs.3.18 to Rs. 6.17.

During the year under review, your Company acquired M/s Devi Metal Technologies – a manufacturing unit for flat rolled products (Strips/Foils/Coils) located in Baddi, Himachal Pradesh and re-constituted as a Proprietorship firm/unit of RCI Industries & Technologies Limited with a name “RCI Strips”.

Further, in July 2017, your Company has purchased additional factory land admeasuring 7,749 sq. m. and factory building in Baddi, Himachal Pradesh. This purchase made under the E-auction of State Bank of India, is towards the Company’s ongoing expansion of their manufacturing plant in Baddi.

Future Prospects

The enhanced capacity of 24,000 MT in a manufacturing unit located in Baddi, Himachal Pradesh, is expected to be operational in FY18. The Company plans to foray into value added segments of defence and the mint in an endeavor to enhance profitability.

At a sectoral level, there exists tremendous growth potential for copper in India. This will come from sectors like power, telecom, automobile, railway, defence etc. Reports indicate that the domestic copper usage will double in India by next decade driven by Government initiatives and increased consumption. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

SUBSIDIARIES AND ASSOCIATES

Subsidiary in Dubai

Your Company, upon the approval of Board of Directors, incorporated a wholly owned subsidiary in Dubai Multi Commodities Centre Authority under the name and style of “RCI World Trade Link DMCC” for trading of Ferrous and Non-Ferrous Metal products, on February 10, 2014 with a share capital of AED 50,000 divided into 50 shares of value AED 1,000 each. RCI World Trade Link DMCC has commenced the operations under the requisite licenses and permissions obtained from regulatory authorities.

Subsidiary in India

Your Company, upon the approval of Board of Directors, incorporated a wholly owned subsidiary under the name and style of “RCI Skills & Social Development Private Limited” for providing Vocational training, Skills and other Social Development activities towards CSR on September 29, 2014 with a paid-up share capital of Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each.

Associate Companies

Your Company has 2 Associate Companies in the name of “Metalrod Private Limited” and “Ace Matrix Solutions Limited” as at March 31, 2017.

Consolidated Financial Statements

In compliance with the applicable provisions of the Companies Act, 2013 including the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2016-17 which includes the Financial Statement of Subsidiaries and Associates Companies.

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

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

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

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

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

SHARE CAPITAL

During the year under review, in accordance with Companies Act, 2013, SEBI (ICDR) Regulations, 2009 and SEBI (LODR) Regulations, 2015, your Company has made 2 Preferential allotments of 800,000 and 1,737,000 fully paid equity shares of Rs. 10 each at offer price of Rs. 125 and Rs. 225 each on October 6, 2016 and February 17, 2017 respectively and these shares were duly admitted for trading on the Bombay stock exchanges viz. BSE.

Pursuant to the issue of further equity shares under Preferential Allotment, the paid up capital of your Company during the year under review has increased from Rs. 108,994,150 to Rs. 134,364,150.

LISTING

During the year under review, your Company have migrated its equity shares from BSE SME platform to BSE Main board platform with effect from December 12, 2016. And your Company's fully paid up equity shares continue to be listed and traded on BSE Limited ('BSE'). Bombay Stock Exchange has nation-wide trading terminals and hence facilitates the shareholders/investors of the Company in trading the shares. The Company has paid the annual listing fee for the Financial Year 2017-18 to the said Stock Exchanges.

DEPOSITORIES

Your Company has arrangements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'), the Depositories, for facilitating the members to trade in the fully paid up equity shares of the Company in Dematerialized form. The Annual Custody fees for the Financial Year 2017-18 has been paid to both the Depositories.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Statement for the year under review as provided under Listing Regulations is separately attached hereto and forms a part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The applicability of concept of Corporate Social Responsibility on the Company commenced from the financial year 2016-17, as the turnover of the Company crossed INR 1,000 Crore in the financial year 2015-16. Accordingly, pursuant to Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee (CSR Committee). The CSR Committee comprises of two Independent Directors and the Managing Director. The Committee had given their recommendation to incur the CSR expenses through its wholly owned subsidiary named "RCI Skills & Social Development Private Limited" and identified the areas of Vocational Skills especially among children as specified under Schedule VII of the Companies Act, 2013 as primary focus area. The Annual Report on CSR Activities is attached as 'ANNEXURE-5'.

POSTAL BALLOT

During the year under review, your Company sought the approval of the Shareholders on the following Resolutions, vide Postal Ballot Notice dated June 24, 2016

- Special Resolution for Migration from SME Exchange to Main Board of BSE Limited
- Re-appointment of Mr. Rajeev Gupta as Managing Director of the Company

The said notice along with Postal Ballot Form were duly sent to the Shareholders and your Company also offered E-Voting facility as an alternate option for voting by the Shareholders, which enabled them to cast their votes electronically, instead of Physical Postal Ballot Form. The results on the voting conducted through Postal Ballot process were declared on July 30, 2016.

The procedure prescribed under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, was adopted for conducting the Postal Ballot.

Further, details related to the Postal Ballot procedure adopted, voting pattern and result thereof have been provided under the General Body Meetings Section of 'Report on Corporate Governance'.

CORPORATE GOVERNANCE

Corporate Governance refers to a set of systems, procedures and practices which ensure that the company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability and independence.

Your Company views Corporate Governance more as a way of business life than a mere legal obligation. The Company has adopted various practices of governance conforming to highest ethical and responsible standard of business, globally benchmarked. Strong and effective implementation of governance practices in the Company have been rewarded in terms of improved share valuations, stakeholder`s confidence, market capitalization, etc.

A certificate from Auditors of the Company regarding compliance of the conditions of Corporate Governance, as stipulated under Schedule V of the Listing Regulations is attached as `ANNEXURE-7` and forms part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

As on 31st March, 2017, your Board comprises of 4 Directors including 2 Independent Directors.

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mrs. Mamta Gupta (DIN 00503302), Director will retire by rotation at the ensuing AGM, and being eligible, offer herself for re-appointment in accordance with provisions of the Companies Act, 2013.

A brief resume of the Director proposed to be re-appointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, committee memberships/ chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM. The Directors recommend her re-appointment at the ensuing AGM.

None of the Directors of the Company have resigned as Director of the Company.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

Board Diversity

As on March 31, 2017, your Board comprises of 4 Directors including 2 Independent Directors and 1 Woman Director. The Company recognizes and embraces the importance of a diverse Board in its success. The Board has also adopted the Board Diversity Policy.

Board Meetings

The Board met 21 times during the Financial Year 2016-17, the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and Listing Regulations.

Key Managerial Personnel

During the year under review, based on the recommendations of the Nomination & Remuneration Committee, your Board has appointed Mr. Inder Prakash Saboo, as the Chief Financial Officer, with effect from 9th June, 2016 and designated as the Key Managerial Personnel of the Company.

In compliance with the requirements of Section 203 of the Companies Act, 2013, Mr. Rajeev Gupta, Managing Director and Chairman, Mr. Abhishek Kedia, Company Secretary and Mr. Inder Prakash Saboo, Chief Financial Officer of the Company are the Key Managerial Personnel of the Company.

Policy on Directors` appointment and Policy on remuneration

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the Policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the Policy on remuneration of Directors, KMP and other employees is attached as 'ANNEXURE- 2' to this Report.

It is thereby, affirmed that remuneration paid to the Directors, Key Management Personnel and other employees is as per the Remuneration Policy of the Company.

Performance Evaluation of the Board, its Committees and Individual Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the SEBI (LODR), 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

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

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

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

Familiarisation Programme for Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to enable them to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with senior management personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry, it is a part.

The Policy on Familiarisation Programme for Independent Directors is also available on the Company's website www.rciind.com under the web link http://www.rciind.com/yahoo_site_admin/assets/docs/FamiliarizationProgrammeForIndependentDirectors.pdf

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining their duties and responsibilities as a Director.

Committees of Board

Currently, the Board has Four standing Committees viz. Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The Audit Committee of the Board comprises of 3 (Three) members, with Mr. Raj Singh Jamwal, Non-Executive Independent Director, as its Chairman. During year under review, all recommendations of the Audit Committee were accepted by the Board of Directors of the Company.

Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. www.rciind.com. A detailed note on the Board and its Committees is provided under the Report on Corporate Governance section.

Whistle Blower Policy/ Vigil Mechanism

The Board has adopted a Whistle Blower Policy (Vigil Mechanism) to provide opportunity to Directors/Employees/Stakeholders of the Company to report concerns about unethical behavior, actual or suspected fraud of any Director and/or Employee of the Company or any violation of the Code of Conduct.

Further during the year under review, no case was reported under the Vigil Mechanism.

AUDITORS

Statutory Auditors

At the 23rd Annual General Meeting of the Company held on July 24, 2014, M/s. RPMD & Associates, Chartered Accountants, New Delhi, having Registration No. 005961C were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the 28th Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. RPMD & Associates, Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the Shareholders. In this regard, the Company has received an eligibility certificate from the Statutory Auditors to the effect that the ratification of their appointment, would be in accordance with Sections 139 and 141 of the Act.

Your Board is of the opinion that continuation of M/s. RPMD & Associates, Chartered Accountants, as Statutory Auditors during and for certifying the financial statements for FY 2017-18, will be in the best interests of the Company and therefore Members are requested to consider the ratification of their appointment as Statutory Auditors of the Company for signing financial statements and issue reports for the period ending March 31, 2018. The ratification proposed is within the time frame for transition as provided under the third proviso to sub-section (2) of Section 139 of Companies Act 2013.

Secretarial Auditor

During the year under review, the Board re-appointed Ms. Kiran, Practicing Company Secretary, proprietor of M/s. Kiran And Associates, Company Secretaries, as the Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit was carried out in compliance with Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Report thereon in the prescribed form MR-3 is attached as 'ANNEXURE-3'.

The reports of Statutory Auditor and Secretarial Auditor forming part of this Annual report do not contain any qualification, reservation or adverse remarks. During the year the Statutory Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under the applicable provisions of the Act.

Internal Auditors

M/s Kiran & Associates, Practicing Company Secretary performs the duties of internal auditors of the Company and their report is reviewed by the audit committee from time to time.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on March 31, 2017 in the prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is attached as 'ANNEXURE-1' to this Report.

DISCLOSURES

Particulars of loans, guarantees or investments: Pursuant to the provisions of Section 186 of companies act, 2013 the particulars of loans, guarantees or investments are mentioned in Note No. 2.13 to the Standalone Financial Statements forming the part of annual report.

Borrowings and Debt Servicing: During the year under review, your Company has met all its obligations towards repayment of principal and interest on loans availed.

Related Party Transactions: None of the transactions with related parties fall under the scope of Section 188(1) of the Companies Act, 2013. All transactions with related parties entered during the year were in the Ordinary Course of Business and on Arm's Length and duly approved by Audit Committee of the company. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

However, as required under Companies Act, 2013 the details of related party transactions are disclosed in prescribed Form No. AOC – 2 which is attached as ANNEXURE-4.

Also, you may refer to Related Party transactions in Note No. 2.31 of the Standalone Financial Statements.

Deposits: Your Company has neither invited nor accepted any public deposit under chapter V of the Companies Act, 2013.

Sexual harassment: The Company has zero tolerance for Sexual Harassment at workplace and has adopted a Policy on prevention of Sexual Harassment in line with the provisions of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' and the Rules made thereunder. There was no complaint on sexual harassment during the year under review.

Regulatory Orders: No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

Material changes and commitments affecting the financial position of the Company: 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 this report.

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Conservation of Energy

Your Company, being a manufacturer, trader and exporter of Ferrous and Non-Ferrous Metal products, requires minimal energy consumption and every endeavor is made to ensure optimal use of energy, avoid wastages and conserve energy as far as possible.

Technology Absorption

In its endeavor to deliver the best to its customers, clients and business partners, your Company is constantly active in harnessing and tapping the latest and best technology in the industry.

Foreign Exchange Earning & Outgo

Particulars of Foreign Exchange Earnings and Outgo during the financial year is mentioned in Notes No. 2.27 to 2.30 to the Notes to accounts forming part of Annual report.

PARTICULARS OF EMPLOYEES

As on March 31, 2017, the total numbers of employees on the records of the Company were 179. The information required under Section 197 of the Companies Act, 2013 ('Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, along with statement showing names and other particulars of the top 10 employees in terms of remuneration drawn is annexed to this report as 'ANNEXURE-6'.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- b. That they had selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. That they had prepared the annual accounts on a going concern basis;
- e. That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT SYSTEM & INTERNAL CONTROL SYSTEMS

Your Company has an effective internal control and risk mitigation system, which is constantly assessed and strengthened with standard operating procedures (SOPs) and which ensures that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded. The Company has laid down procedures to inform audit committee and board about the risk assessment and mitigation procedures, to ensure that the management controls risk through means of a properly defined framework. The internal control systems of your Company ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

Your Company has in place adequate internal financial controls with reference to financial statements. Based on internal financial control framework and compliance systems established in the Company, the work performed by statutory, internal and secretarial auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17. During the year, no reportable material weakness in the design or operation was observed.

Properly documented policies, guidelines and procedures are laid down for this purpose. The internal control system has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

The Company also has an Audit Committee, presently comprising of 3 (three) Members i.e. professionally qualified Directors, who interact with the Statutory Auditors, Internal Auditors and Auditees in dealing with matters within its terms of reference. The Committee inter alia deals with accounting matters, financial reporting and internal controls which also periodically reviews the Risk Management Process.

INSIDER TRADING CODE

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the PIT Regulations') on prevention of insider trading, your Company had instituted a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code lays down guidelines, which advise Insiders on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances.

Your Company has further put in place a Code of practices and procedures of fair disclosures of unpublished price sensitive information. Both the aforesaid Codes are in line with the PIT Regulations.

INDUSTRIAL OPERATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across the organization.

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations and actual results might differ.

ACKNOWLEDGEMENT

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

For and on behalf of the Board

Sd/-

Mr. Rajeev Gupta

Chairman & Managing Director

DIN 00503196

Date: 02.09.2017

ANNEXURES TO DIRECTOR'S REPORT

ANNEXURE-1

FORM MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

CIN	L74900DL1992PLC047055
Registration Date	7 th January, 1992
Name of the Company	RCI INDUSTRIES & TECHNOLOGIES LIMITED
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered Office and contact details	B-97 , All Heavens Building ,Wazirpur Ring Road , Delhi-110052; Tel: +91 11 2737 2194
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Big Share Services Private Limited 4E/8, 1 st Floor, Jhandewalan Extension, New Delhi-110055; Tel: +91 11 2352 2373; Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	RCI Skills And Social Development Private Limited B-97, All Heavens Building, Wazirpur Ring Road, Delhi-110052	U85100DL2014PTC272102	Subsidiary	100	2(87)
2.	RCI World Trade Link DMCC, Dubai (U.A.E.)	N/A	Subsidiary	100	2(87)
3.	Ace Matrix Solutions Limited B-97 , All Heavens Building, Wazirpur	U74899DL2000PLC103256	Associate	22	2(6)

h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub Total: (B)(1)	0	0	0	0	5600	0	5600	0.04	0.04
(2). Non Institutions									
a) Bodies Corporates									
i) Indian	252000	0	252000	2.31	1087530	0	1087530	8.09	5.78
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 Lac	120000	2800	122800	1.13	449509	2800	452309	3.37	2.24
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 Lac	2349000	0	2349000	21.55	2948500	0	2948500	21.94	0.39
c) Others (HUF)	108000	0	108000	0.99	310001	0	310001	2.31	1.32
Clearing Members	51000	0	51000	0.46	45049	0	45049	0.33	(0.13)
Non Resident Indians	0	0	0	0	10811	0	10811	0.08	0.08
Overseas Corporate Bodies	0	0	0	0	0	0	0	-	0
Trusts	0	0	0	0	0	0	0	-	0
Sub Total: (B)(2)	2880000	2800	2882800	26.45	3763870	2800	3766670	36.12	9.67
Total Public Shareholding (B)= (B)(1)+(B)(2)	2880000	2800	2882800	26.45	4857000	2800	4859800	36.16	9.71
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	-	0
Grand Total (A+B+C)	10896615	2800	10899415	100	13433615	2800	13436415	100	

(ii). Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mamta Gupta	409090	3.75	-	569090	4.24	-	0.49
2	Rajeev Gupta	4364720	40.05	-	4764720	35.46	-	(4.59)

3	Hembala Gupta	30	0.00	-	30	0.00	-	-
4	Ritika Gupta	2625	0.02	-	2625	0.01	-	(0.01)
5	Blossom Impex Private Limited	30000	0.28	-	30000	0.22	-	(0.06)
6	Ace Matrix Solutions Limited	1751900	16.07	-	1751900	13.04	-	(3.03)
7	Kay Kay Exim Private Limited	50000	0.46	-	50000	0.37	-	(0.09)
8	Metalrod Private Limited	812500	7.45	-	812500	6.05	-	(1.4)
9	Ace Trade Solutions Private Limited	595750	5.47	-	595750	4.43	-	(1.04)

* The % of promoter's shareholding got reduced due to the preferential allotment of equity shares made both to Promoters & Non-Promoters during the financial year.

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	8016615	73.55	8016615	73.55
2	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / Transfer / bonus / sweat equity etc):				
	1. Increase (Preferential Allotment dated February 17, 2017) Mr. Rajeev Gupta	400000	2.98	8416615	63.83
	2. Increase (Preferential Allotment dated February 17, 2017) Mrs. Mamta Gupta	160000	1.19	8576615	63.83
3	At the end of the year	8016615	63.83	8576615	63.83

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the	No. of shares	% of total shares of the

			company		company
1	At the beginning of the year	1137624	8.47	1137624	8.47
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	1. Increase (Preferential Allotment dated October 6, 2016)	800000	5.95	1937624	14.42
	2. Increase (Preferential Allotment dated February 17, 2017)	281000	2.09	2218624	16.51
3	At the end of the year	2218624	16.51	2218624	16.51

(v). Shareholding of Directors and Key Managerial Personnel

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year:	47,73,810	43.80	47,73,810	43.80
2	Date wise Increase /Decrease in Share holding during the year				
	Increase (Preferential Allotment dated February 17, 2017)	560000	39.70	5333810	39.70
3	At the end of the year:	47,73,810	43.80	5333810	39.70

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
Short Term:				
i) Principal Amount	659604239	100975266	-	760579505
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Long Term				
i) Principal Amount	-	449110832	-	449110832
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total	659604239	549475266	-	1209079505
Change in Indebtedness during the financial year				
Short Term				

Addition	679554447	-	-	679554447
Reduction	296887661	770839	-	297658500
Long Term				
Addition	-	3519247	-	3519247
Reduction	-	148500000	-	148500000
Net Change				
Indebtedness at the end of the financial year				
Short Term				
i) Principal Amount	1109949808	100204427	-	1210154235
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Long Term				
i) Principal Amount	-	303519247	-	303519247
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total	1109949808	403723674	-	1513673482

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Rajeev Gupta Managing Director	
1	Gross salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,200,000	1,200,000
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of Profit	-	-
	- others (specify)	-	-
5	Others, please specify	-	-
	Total	1200000	1200000
	Ceiling as per the Act	5% of the Net Profits as per Section 198 of the Companies Act, 2013	

A. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Raj Singh Jamwal	Anil Kumar Jain	
1	Independent Directors			
	a) Fee for attending board / committee meetings	None		
	b) Commission	None		
	c) Others, please specify	None		
	Total (1)	None		
2	Other Non-Executive Directors	Mamta Gupta		
	a) Fee for attending board / committee meetings	None		
	b) Commission	None		
	c) Others, please specify	None		
	Total (2)	None		
	Total (B)=(1+2)	None		
	Total Managerial Remuneration			1200000
	Overall Ceiling as per the Act	11% of the Net Profits as per Section 198 of the Companies Act, 2013		

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Company Secretary	CFO	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	600,000	1,200,000	1,800,000
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of Profit			
	- others (specify)			
5	Others, please specify	-	-	-
	Total	600,000	1,200,000	1,800,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
------	------------------------------	-------------------	--	-----------------------------	------------------------------------

			fees imposed		
A. Company					
Penalty	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers in Default					
Penalty	None				
Punishment					
Compounding					

ANNEXURE-2

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS (EXCLUDING INDEPENDENT DIRECTORS), KMP AND SENIOR MANAGEMENT

Preliminary

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

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

Term / Tenure

Executive Director:

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

Non-Executive Directors:

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

Committees

They will be appointed as Chairman and/or Member on the following Committees of the Board:

- (I) AUDIT COMMITTEE**
- (II) NOMINATION AND REMUNERATION COMMITTEE**
- (III) SHAREHOLDERS GRIEVANCE COMMITTEE**
- (IV) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Code of Conduct

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

Performance Evaluation

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

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

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

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

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

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

Removal

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

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Remuneration policy for Executive Directors (Whole-time/ Managing Director) and KMP

a) Fixed pay:

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

b) Minimum Remuneration:

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

c) Provisions for excess remuneration:

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

Remuneration to Non- Executive Directors (excluding Independent Director)

a) Remuneration / Commission:

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

b) Sitting Fees:

The Non- Executive Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof as per the applicable provisions of the Companies Act, 2013

c) Commission:

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

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

POLICY FOR APPOINTMENT AND REMOVAL / FORMATION OF TERMS & CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

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

Preliminary

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

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

Term

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

Committees

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

- I) **AUDIT COMMITTEE**
- II) **NOMINATION AND REMUNERATION COMMITTEE**
- III) **SHAREHOLDERS GRIEVANCE COMMITTEE**
- IV) **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Code of Conduct and Duties and Responsibilities

1. They will abide by the Code of Conduct and Ethics applicable to Directors as available on the website of the company.
2. They will abide by the guidelines of professional conduct, role, function and duties as an Independent Directors provided in Schedule IV of the Companies Act, 2013.
3. They will not hold office as a Director or any other office in a competing firm/entity.
4. They are expected to stay updated on how best to discharge their roles, responsibilities, and duties and liabilities, as an Independent Director of the Company under applicable law, including keeping abreast of

current changes and trends in economic, political, social, financial, legal and corporate governance practices.

5. They are expected to:

- (i) Take decisions objectively and solely in the interests of the Company;
- (i) Facilitate Company's adherence to high standards of ethics and corporate behavior;
- (ii) Guide the Board in monitoring the effectiveness of the Company's governance Practices and to recommend changes, required if any;
- (iii) Guide the Board in monitoring and managing potential conflicts of interest of Management, Board Members and Stakeholders, including misuse of corporate asset and abuse in related party transactions
- (iv) Guide the Board in ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards

Performance Evaluation

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

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

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

The evaluation of Independent Directors shall be done by the Board. Based on the above criteria Independent Directors has to be assessed by giving a rating of *SATISFACTORY OR UNSATISFACTORY*.

Remuneration

1. Their annual remuneration will be as under:

- (a) sitting fees for attending each meeting of the Board and its Committees as may be determined by the Board from time to time, and

(b) profit related commission, if any, determined by the Board and if approved by members will be payable at the end of each financial year based upon the performance of the Company and upon the performance of Independent Directors which will be evaluated by the Board of Directors.

2. They will be entitled to reimbursement of expenses incurred by them in connection with attending the Board meetings, Board Committee meetings, general meetings and in relation to the business of the Company towards hotel accommodation, travelling and other out-of pocket expenses.
3. Pursuant to applicable law, they will not be entitled to any stock options.

Changes of personal details

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

Miscellaneous

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

They shall use reasonable efforts to keep confidential and to not disclose to any third party, such Confidential Information. If any Confidential Information is required to be disclosed by them in response to any summons or in connection with any litigation, or in order to comply with any applicable law, order, regulation or ruling, then any such disclosure should be, to the extent possible, with the prior consent of the Board.

ANNEXURE-3

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

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

To,
The Members,
RCI Industries & Technologies Limited
B-97, Wazirpur Industrial Area,
Delhi – 110052

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

Based on our verification of the RCI Industries & Technologies Limited, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by RCI Industries & Technologies Limited (“the company”) for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***Not Applicable during this Audit Period***
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the company with Bombay Stock Exchange.

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

We further report that

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

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

information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the company has not made specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **Kiran & Associates**
Company Secretaries

Sd/-

Place: Ghaziabad
Date: 02.09.2017

Kiran(Proprietor)
Membership No. 37306
Certificate of Practice No. 14168

**ANNEXURE-4
FORM AOC-2**

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

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

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

1	Name(s) of the related party and nature of relationship	Not applicable
2	Nature of contracts/ arrangements/ transactions	Not applicable
3	Duration of the contracts / arrangements/ transactions	Not applicable
4	Salient terms of the contracts or arrangements or transactions including the value, if any	Not applicable
5	Justification for entering into such contracts or arrangements or transactions	Not applicable
6	Date(s) of approval by the Board	Not applicable
7	Amount paid as advances, if any	Not applicable
8	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not applicable

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

1	Name(s) of the related party and nature of relationship	As per Notes no. 2.31 of Notes to accounts forming part of Annual Report
2	Nature of contracts/ arrangements/ transactions	As per Notes no. 2.31 of Notes to accounts forming part of Annual Report
3	Duration of the contracts / arrangements/ transactions	As per Notes no. 2.31 of Notes to accounts forming part of Annual Report
4	Salient terms of the contracts or arrangements or transactions including the value, if any	As per Notes no. 2.31 of Notes to accounts forming part of Annual Report
5	Date(s) of approval by the Board, if any	As per Notes no. 2.31 of Notes to accounts forming part of Annual Report
6	Amount paid as advances, if any	As per Notes no. 2.31 of Notes to accounts forming part of Annual Report

By Order of the Board of Directors

For RCI Industries & Technologies Limited

Sd/-

Mr. Rajeev Gupta

Chairman & Managing Director

DIN 00503196

ANNEXURE-5
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

1. **A brief outline of the Company’s CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Board had approved a CSR Policy with primary focus on Vocational skills etc. The CSR policy is available on the website of the Company www.rciind.com.

2. **The Composition of the CSR Committee:**

The CSR Committee of the Board of Directors comprises of 3 Directors. Mr. Raj Singh Jamwal, Independent Director is the Chairman of the Committee while Mr. Anil Kumar Jain, Independent Director and Mr. Rajeev Gupta, Chairman & Managing Director are its members.

3. **Average net profit of the Company for last three financial years:** 1037.00 Lakh

4. **Prescribed CSR expenditure (two percent of the amount as in item 3 above):** Rs. 20.74 Lakh

5. **Details of CSR spent during Financial Year:**

Particulars	Amount (In Rs.)
Total amount to be spent for the financial year	Rs. 20.74 Lakh
Amount unspent, if any	Rs. 20.74 Lakh
Manner in which the amount spent during the financial year 2016-17	Not Applicable

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:**

During the financial year under review, the RCI Skills and Social Development Private Limited (the “subsidiary Company”) has applied various Governments tender related to vocational skills (the CSR activity adopted by the Company), but all the tenders got rejected on technical grounds. Hence requisite amount of CSR expenditure could not be spent. However, Company has committed to spend the consolidated amount of CSR for both current and previous financial year during the financial year 2017-18 in order to comply with the Companies Act, 2013 in true spirit.

7. **Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: New Delhi
Dated: 02.09.2017

Sd/-
Rajeev Gupta
Chairman & Managing Director
DIN: 00503196

Sd/-
Raj Singh Jamwal
Chairman, CSR Committee
DIN: 06698519

ANNEXURE-6

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

<i>Sl. No.</i>	<i>Name of Director & Designation</i>	<i>Ratio of remuneration of each Director to median remuneration of employees</i>
1.	Mr. Rajeev Gupta Managing Director	7.68:1.00

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year

<i>Sl. No.</i>	<i>Name of Director & KMP</i>	<i>Designation</i>	<i>% increase in remuneration of Director & KMP</i>
1.	Mr. Rajeev Gupta	Managing Director	Nil
2.	Mr. I.P. Saboo	Chief Financial Officer	Nil
3.	Mr. Abhishek Kedia	Company Secretary	57.14

(iii) The percentage increase in the median remuneration of employees in the financial year – 130.45%*

(iv) The number of permanent employees on the rolls of company - 179

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average annual increase in the salaries of employees during the year was 11% whereas there was no significant change in the managerial remuneration (Managing Director's remuneration) during the financial year 2016-17

(vi) Affirmation that the remuneration is as per the remuneration policy of the company

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

* Due to the drastic increase in the no. of employees from the last financial year, the percentage increase in the median remuneration of employees exceeds 100%.

Statement showing the names and other particulars of the top ten employees in terms of remuneration drawn as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

<i>Sl. No.</i>	<i>Name</i>	<i>Age (Yrs)</i>	<i>Designation/ Nature of Duties</i>	<i>Total Remuneration (in Rs.)</i>	<i>Educational Qualification</i>	<i>Experience (in years)</i>	<i>Date of Joining</i>	<i>Previous Employment</i>
1	Rajendra Yawalkar	53	V.P. Plant	16,80,000	B.Sc	30	01.10.16	Arcotech Limited
2	Manoj Gupta	46	DGM Plant	13,20,000	Btec	30	03.08.16	Arcotech Limited
3	Santosh Shivaji Sawant	45	DGM Production and Plant	9,60,000	B.E. Mechanical	20	16.01.17	Rimjhim Stainless Steel
4	Rewa Yawalkar	52	Manager-Administration	7,20,000	M.A. Home Science	15	01.10.16	Rimjhim Stainless Steel
5	Sanjay Kumar Tomar	53	Manager-Maintenance	7,11,288	B.E. Mechanical	30	11.11.07	Devi Metal Technologies Limited
6	Y.K. Sharma	53	Manager- Sales	6,70,860	M.A. BED	25	01.04.13	Devi Metal Technologies Limited
7	Suneel Saraf	50	Manager-Accounts	6,63,828	B.Com	25	15.04.16	Devi Metal Technologies Limited
8	Anshuman Uppal	30	Manager - HR	6,60,000	B.Com	4	01.03.17	Stesalit Limited (Amtech Auto Limited)
9	Abhishek Kedia	29	Company Secretary	6,20,000	CS and LLB	3	18.03.14	-
10	Samir Manna	50	Manager - Maintenance	6,00,000	HSC and ITI	25	17.11.16	Arcotech Limited

Notes:

1. None of the Employees named above is relative of any Director of the Company
2. None of the Directors hold any Equity Shares in the Company

Place: New Delhi
Date: 02.09.2017

For and on behalf of the Board of Directors
sd/-
Rajeev Gupta
Chairman and Managing Director

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is a set of principles, processes and systems which define the manner of operations of a Company in the various facets of its operations. The elements of Corporate Governance inter alia are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders.

The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. The Company's philosophy of Corporate Governance is built on timeless principles of transparency, fairness, integrity, equity and accountability. For RCI Industries & Technologies Limited, corporate governance is an ethically driven business process that is committed to values - aimed at enhancing an organization's brand and reputation.

Our governance philosophy is all encompassing and it is our constant endeavor to align our vision and business strategy with the welfare and best interest of all stakeholders. It is our firm conviction that good Corporate Governance practices are powerful enablers, which infuse trust and confidence and are able to attract and retain financial and human capital. These resources, in turn, are leveraged to maximize long-term shareholder value, on a sustainable basis. Transparency and accountability are the fundamental principles of your Company which ensures that your Company is managed and monitored in a responsible manner for 'creating and sharing value'. A transparent, ethical and responsible corporate governance framework essentially emanates from the intrinsic will and passion for good governance ingrained in the organization which has been the hallmark of your Company.

To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long term value for our shareholders, our people and our business partners. Strong leadership and effective corporate governance practices have been your Company's hallmark.

Corporate Governance primarily involves the establishment of structures and processes, with appropriate checks and balances that enable the Board, as collegian, to discharge their responsibilities in a manner which is beneficial to all Stakeholders. The Company's Board considers good corporate governance to be a key driver of sustainable corporate growth and long term value creation, and exercises its fiduciary responsibilities accordingly.

The Securities and Exchange Board of India (SEBI) introduced the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'Listing Regulations'), to bring in additional Corporate Governance norms for listed entities. These norms provide for additional disclosures and preparation of various new policies such as policy for preservation of documents, policy for determining material subsidiary, policy for determination of materiality etc. Your Company is in compliance with the mandatory requirements of the Listing Regulations formulated by the Securities and Exchange Board of India ('SEBI'). This section, along with the section on 'Management Discussion and Analysis' and 'General Shareholders' Information', constitute the Company's compliance with Regulation 34 of the Listing Regulations

BOARD OF DIRECTORS

Composition of the Board

Your Company has a balanced and optimal Board with combination of Executive and Non-Executive Directors. The Composition of the Board as on March 31, 2017 is in conformity with Regulation 17(1) of the Listing Regulations which lays down an optimal combination of Executive and Non-Executive Directors, with at least one woman director and not less than 50 per cent of the Board comprising of Independent Directors, for a Board not chaired by Non-Executive Director.

Composition of the Board as on March 31, 2017:

Category of Directors	No. of Directors	% of total no. of Directors
Executive Director	1	25%
Non-Executive Independent Director	2	50%
Other Non-Executive Director	2	50%
Total	4	100%

Number of Board Meetings

During the year under review, the Board of Directors of the Company met 21 times on 18/04/2016, 16/05/2016, 23/05/2016, 30/05/2016, 17/06/2016, 30/07/2016, 03/09/2016, 28/09/2016, 03/10/2016, 06/10/2016, 07/11/2016, 14/11/2016, 29/11/2016, 19/12/2016, 30/12/2016, 09/01/2017, 04/02/2017, 06/02/2017, 14/02/2017, 17/02/2017, 21/03/2017. The maximum gap between any two consecutive meetings was less than one hundred and twenty days as stipulated under Companies Act, 2013, Regulation 17(2) of the Listing Regulations and Secretarial Standards. The necessary quorum was present for all the meetings.

As required under the SEBI Listing Regulations, all the necessary information was placed before the Board from time to time.

Directors' Attendance Record and their other Directorships/ Committee Memberships

As mandated by Regulation 26 of the Listing Regulations, none of the Directors is a member of more than ten Board Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee memberships/ Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on March 31, 2017 are given below:

Name of the Director	#Category	Attendance in Financial Year 2016-17			Number of other Directorships and Committee Memberships/ Chairmanships held*		
		Number of Board Meetings		Last AGM held on 30.09.2016	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Rajeev Gupta	Chairman/	21	21	Yes	7	2	-

	PD/ED						
Mamta Gupta	PD/NED	21	21	Yes	8	-	-
Raj Singh Jamwal	ID	21	7	Yes	-	2	2
Anil Kumar Jain	ID	21	7	Yes	1	4	2

#PD – Promoter Director; NED – Non-Executive Director; ID – Non-Executive Independent Director; ED – Executive Director

*In accordance with Regulation 26 of the Listing Regulations, Chairmanships/Memberships of only Audit Committees and Stakeholders Relationship Committee in all Public Limited Companies (Listed and Unlisted) have been considered.

Independent Directors

As mandated by the Listing Regulations, the Independent Directors on your Company's Board:

- a. Are persons of integrity and possess relevant expertise and experience, in the opinion of the Board of Directors;
- b. Are not a Promoter of the Company or its holding, subsidiary or associate company;
- c. Are not related to Promoters or Directors in the Company, its holding, subsidiary or associate company;
- d. Apart from receiving Director's remuneration, have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- e. Have no relative, who has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or Fifty Lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- f. Neither themselves nor any of their relatives —
 - A. hold or have held the position of a Key Managerial Personnel or are or have been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed;
 - B. are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed, of -
 - (1). a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate company; or
 - (2). any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) hold together with their relatives two per cent or more of the total voting power of the Company; or
 - (iv). is a Chief Executive or Director, by whatever name called, of any non-profit organisation that receives twenty five per cent or more of its receipts or corpus from the Company, any of its Promoters,

Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company;
(v). is a material supplier, service provider or customer or a lessor or lessee of the Company;
g. are not less than 21 years of age.

The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations.

Maximum Tenure of Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company is for a term of 5 consecutive years from the date of their appointment.

Number of Independent Directorships

In compliance with Regulation 25 of the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies.

Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company viz. www.rciind.com.

Separate Meeting of Independent Director

In accordance with Companies Act, 2013, the Independent Directors of the Company shall hold at least one meeting in a year without the presence of Non-Independent Directors and members of management.

During the year under review, separate meeting of the Independent Directors of the Company was held on February 17, 2017.

Familiarisation Program for Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to enable them to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company. They are given full opportunity to interact with senior management personnel and are provided with all the documents required and/or sought by them to have a good understanding of the Company, its business model and various operations and the industry, it is a part. The Policy on Familiarisation Programme for Independent Directors is also available on the Company's website www.rciind.com under the web link http://www.rciind.com/yahoo_site_admin/assets/docs/FamiliarizationProgrammeForIndependentDirectors.pdf

Performance Evaluation of the Board, its Committees and Individual Directors, including Independent Directors

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

Individual Directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

For evaluation of the entire Board and its Committees a structured questionnaire, covering various aspects of the functioning of the Board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc is in place. Similarly, for evaluation of Individual Director's performance, the questionnaire covers various aspects like his/ her profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2016-17.

The Independent Directors had met separately on February 17, 2017 without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it determines whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

Disclosure of relationships between Directors inter-se

None of the Directors are related to each other, except Mr. Rajeev Gupta and Mrs. Mamta Gupta who are related to each other, being Husband and Wife.

Remuneration Policy

The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high calibre talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

Remuneration paid to Executive Directors

Your Board currently comprises of one Executive Director viz. Mr. Rajeev Gupta, Managing Director. The remuneration paid to the Managing Director was Rs. 12,00,000 (Rupees Twelve Lakh) during the year as a salary and perquisites duly approved by shareholders in their meeting and further approved by nomination and remuneration committee of the Company.

Remuneration paid to Non-Executive Directors

No Remuneration was paid to Non-Executive Directors during the year under review.

Shareholding of Non-Executive Directors

Mrs. Mamta Gupta, Non-Executive Promoter Director as on March 31, 2017, holding 569,090 equity shares of Rs.10/- each, in the Company. None of the other Non-Executive Directors hold shares in the Company. Since the Company has not issued any convertible instruments, disclosure in this respect is not applicable.

In accordance with the relevant provisions of the Companies Act, 2013 and the Listing Regulations, the Appointment of Board Members and Remuneration Policy have been attached as 'ANNEXURE-2' of this Report.

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

COMMITTEES OF THE BOARD

Your Company has 4 Board Level Committees:

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders Relationship Committee
- D. Corporate Social Responsibility Committee

The composition of various Committees of the Board of Directors is available on the website of the Company at www.rciind.com and web link for the same is http://www.rciind.com/yahoo_site_admin/assets/docs/CompositionOfBoardAndBoardCommittees_31.03.2017.pdf.

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

A). AUDIT COMMITTEE

In compliance with Section 177 of the Companies Act, 2013 read with rules made thereto and Regulation 18 of the Listing Regulations, the 'Audit Committee' of the Board comprises of Mr. Raj Singh Jamwal, Non-Executive Independent Director as its Chairman, Mr. Anil Kumar Jain, Non-Executive Independent Director and Mr. Rajeev Gupta, Managing Director as its Members i.e. 2/3rd of the members of Audit Committee are Independent Directors.

The Role of Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the appointment, reappointment, terms of appointment/ reappointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees/remuneration.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:

- A). Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub section (5) of Section 134 of the Companies Act, 2013.
- B). Changes, if any, in accounting policies and practices and reasons for the same.
- C). Major accounting entries involving estimates based on the exercise of judgment by the Management.
- D). Significant adjustments made in the financial statements arising out of audit findings.
- E). Compliance with listing and other legal requirements relating to financial statements.
- F). Disclosure of any related party transactions.
- G).Qualifications in the draft audit report.

5. Review/examine, with the Management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval.

6. Reviewing with the Management, the financial statements of subsidiaries and in particular the investments made by each of them.

7. Reviewing/Monitoring, with the Management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

8. Review and monitor the Auditor's independence, performance and effectiveness of Audit process.

9. Approval or any subsequent Modification of transactions of the Company with related parties.

10. Scrutiny of inter- corporate loans and investments.

11. Valuation of undertakings or assets of the Company, wherever it is necessary.

12. Evaluation of internal financial controls and risk management systems.

13. Reviewing, with the Management, performance of statutory and internal auditors and adequacy of the internal control systems.

14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

15. Discussion with internal auditors any significant findings and follow-ups there on.

16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

17. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

18. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

19. To review the functioning of the Whistle- Blower Mechanism.

20. Approval of appointment of CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

The Audit Committee also reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors, if any;
4. Internal audit reports relating to internal control weaknesses; and
5. Appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) (whenever applicable).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) (whenever applicable).

Audit Committee Meetings

In addition to the Audit Committee members, the Audit Committee meetings are generally attended by the Company Secretary, Chief Financial Officer, Statutory Auditors and Internal Auditors of the Company. The Company Secretary acts as the Secretary of the Audit Committee.

During the year under review, the Audit Committee met at least once in each quarter and the maximum time gap between two Audit Committee meetings did not exceed the limit prescribed in Regulation 18 of the of the Listing Regulations.

The Audit Committee met 7 times during the year under review i.e. on 30/05/2016, 30/07/2016, 03/09/2016, 14/11/2016, 30/12/2016, 17/02/2017, 21/03/2017. The necessary quorum was present for all the meeting held during the year.

Name of Committee Members	Meeting Details			Whether attended last AGM (Y/N)
	Held during the year	Attended	% of Total	
Raj Singh Jamwal	7	7	100	Yes
Anil Kumar Jain	7	7	100	No
Rajeev Gupta	7	7	100	Yes

Mr. Raj Singh Jamwal, Chairman of the Audit Committee was present at the 25th Annual General Meeting of the Company held on September 30, 2016.

B). NOMINATION & REMUNERATION COMMITTEE

Composition

In compliance with Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013 read with rules made thereto, 'Nomination and Remuneration Committee' of the Board comprises of Mr. Raj Singh Jamwal, Non-Executive Independent Director as its Chairman, Mr. Anil Kumar Jain, Non-Executive Independent Director and Mrs. Mamta Gupta, Non-Executive Director as its Members. The Company Secretary acts as the Secretary of the Committee.

Terms of Reference

The brief terms of reference of the Nomination and Remuneration Committee inter alia include:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
2. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
3. Formulate the criteria for evaluation of Director's and Board's performance and to carry out the evaluation of every Director's performance.
4. Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.
5. Devising a policy on Board diversity.
6. To approve Remuneration of Directors, Key Managerial Personnel, Senior Management and Senior Employees (employees one level below KMP) and to approve promotion / increments / rewards / incentives for the said employees.
7. To decide and approve grant of Stock Options, including terms of grant etc under the Company's Employee Stock Option Scheme, if any.

Attendance at Nomination and Remuneration Committee Meetings

During the year under review, the Nomination & Remuneration Committee met 4 times viz. 30/05/2016, 03/09/2016, 30/12/2016, 17/02/2017.

Name of Committee Members	Meeting Details		
	<i>Held during the year</i>	<i>Attended</i>	<i>% of Total</i>
Raj Singh Jamwal	4	4	100
Anil Kumar Jain	4	4	100
Rajeev Gupta	4	4	100

In addition to the Nomination & Remuneration Committee members, the Meetings of the Committee are generally attended by the Managing Director of the Company.

C). STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

In compliance with Regulation 20 of the Listing Regulations and Section 178 of the Companies Act, 2013 read with rules made thereto, 'Stakeholders Relationship Committee' of the Board comprises of Mr. Raj Singh Jamwal, Non-Executive Independent Director as its Chairman, Mr. Anil Kumar Jain, Non-Executive Independent Director and Mr. Rajeev Gupta, Managing Director as its Members. The Company Secretary acts as the Secretary of the Committee.

Terms of Reference

The brief terms of reference of the Stakeholders Relationship Committee inter alia include:

- a) To approve transfer of shares.
- b) To specifically look into the redressal of grievances of shareholders, investors, debenture holders and other security holders.
- c) To provide adequate and timely information to shareholders.
- d) To consider and resolve the grievances of security holders of the company, including complaints related to transfer of shares, issue of Duplicate Share certificates, non-receipt of balance sheet, non-receipt of declared dividends and other shares related matters.

Meeting and Attendance during the year

During the year under review, Stakeholders Relationship Committee met 5 times viz. 30/05/2016, 30/07/2016, 14/11/2016, 30/12/2016, 17/02/2017. The meetings were attended by all the members of the Committee. Details of number of Complaints received (inclusive of SCORES) from Members during the year ended March 31, 2017 is as under:

Complaints received
0

Pending as on 31st March, 2017
Nil

D). CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company has constituted a CSR Committee comprising Mr. Raj Singh Jamwal, Independent Director as its Chairman, Mr. Rajeev Gupta, Managing Director and Mr. Anil Kumar Singh, Independent Director, as its Members. The broad terms of reference of the CSR Committee are as under:

- a). Formulating and recommending to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company.
- b). Recommending the amount of expenditure to be incurred on the aforesaid activities and
- c). Reviewing and Monitoring the CSR Policy of the Company from time to time.

During the period under review, the CSR Committee met 5 times viz. 30/05/2016, 30/07/2016, 14/11/2016, 17/02/2017, 21/03/2017.

SUBSIDIARY COMPANIES - MONITORING FRAMEWORK

The Company monitors performance of its subsidiary companies, inter-alia, by the following means:

- i) The Audit Committee reviews financial statements of the subsidiary companies, along with investments made by them, on a quarterly basis.
- ii) The Board of Directors reviews the Board meeting minutes and statements of all significant transactions and arrangements, if any, of subsidiary companies.

The Company has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company viz. www.rciind.com.

Your Company does not have any unlisted material subsidiary, incorporated in India. [Under the Listing Regulations, a "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year].

Company also does not have a listed subsidiary.

DICLOSURES

Related Party Transactions

In compliance with the requirements of Regulation 23 of the Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, which is in compliance with the applicable provisions of law including the provisions of the Companies Act, 2013. The said Related Party Transaction Policy is also available on the Company's website and is accessible at http://www.rciind.com/yahoo_site_admin/assets/docs/RelatedPartyTransactionPolicy.pdf.

During the Financial year 2016-17 there were no materially significant related party transactions i.e. transactions material in nature, between the Company and its Promoters, Directors or Key Managerial Personnel or their relatives etc. having any potential conflict with interests of the Company at large or any transaction which was not on arm's length and / or in ordinary course of business. The Company places all the relevant details before the Audit Committee and the Board on Quarterly and Annual Basis.

Details of non-compliance by the Company

Your Company has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Whistle Blower Policy / Vigil Mechanism

As per Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, Whistle Blower Policy / Vigil Mechanism has been approved and implemented within the organization. The policy enables the Employees and Directors to raise and report concerns about unethical behavior, actual or suspected fraud of any Director and/ or Employee of the Company or any violation of the Code of Conduct. This Policy is also available on the Company's website and is accessible at http://www.rciind.com/yahoo_site_admin/assets/docs/WhistleBlowerPolicy.pdf. Further during the year

under review, no case was reported under the Vigil Mechanism. No person was denied access to Audit Committee.

Disclosure on compliance with Corporate Governance Requirements specified in Listing Regulations

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

Policy for determining Material Subsidiaries

In compliance with the requirements of Regulation 16 (c) of the Listing Regulations, the Board of Directors of the Company has approved a Policy for determining Material Subsidiaries. The said policy determines material subsidiaries of the Company and provides a governance framework for them. The said Policy is also available on the Company's website viz. www.rciind.com.

Your Company does not have any unlisted material subsidiary, incorporated in India.

Code for prevention of Insider-Trading Practices

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the management, staff and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of the Company, and cautioning them of the consequences of violations. The Company Secretary has been appointed as the Compliance Officer.

Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

The Company is subject to market risk with respect to commodity price fluctuations. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices.

The Company's payables and receivables are in foreign currency and due to fluctuations in foreign exchange prices, it is subject to foreign exchange risks. The Company has in place a risk management framework for identification and monitoring and mitigation of foreign exchange risks. The company has entered into foreign exchange forward, option and futures contracts to manage its exposure to exchange rate fluctuations, in accordance with its risk management policies. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management policy. Moreover, the foreign exchange exposure is also reviewed by the Audit of the Board of Directors of the Company for optimisation and risk mitigation.

CEO/ CFO Certification

In terms of Regulation 17(8) of the Listing Regulations, the certification on the financial statements of the Company, as certified by the Chief Executive Officer/Managing Director and Chief Financial Officer of your Company is annexed in this Annual Report.

Auditors' Certificate on Corporate Governance

The Statutory Auditors' Certificate confirming compliance with conditions of Corporate Governance as stipulated under Schedule V of Listing Regulations is annexed in this Annual Report.

Disclosure Regarding Appointment / Re-Appointment of Directors

The members, at the ensuing Annual General Meeting, shall be considering the re-appointment of Mrs. Mamta Gupta as Non-Executive Director, who is retiring at the ensuing Annual General Meeting. The detailed profile of the Directors has been provided in this report.

Code of Conduct

The Company has adopted a Code of Conduct for the Members of the Board and Senior Managerial Personnel. All the Directors and senior functionaries, as defined in the Code, provide their annual confirmation of compliance with the Code. Copy of the Code is also available on the Company's website and is accessible at http://www.rciind.com/yahoo_site_admin/assets/docs/CodeOfConduct.pdf.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and senior Managerial Personnel is given below:

Declaration

In accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have confirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2017.

Rajeev Gupta
Managing Director

New Delhi, September 2, 2017

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on Management discussion and analysis is provided separately as a part of this Annual Report.

GENERAL BODY MEETINGS

Details of the last three general body meetings held are given below:

<i>Financial Year Ended</i>	<i>Day, Date & Time</i>	<i>Venue</i>	<i>Special Resolution Passed</i>
March 31, 2016	Friday, September 30, 2016, 10:00 AM	B-97, All Heavens Building, Industrial Area, Delhi – 110052	To Issue upto 8 Lakh Equity Shares on Preferential basis

March 31, 2015	Tuesday, September 29, 2015, 10:00 AM	B-97, All Heavens Building, Wazirpur Ring Road, Delhi – 110052	None
March 31, 2014	Thursday, July 24, 2014, 11:00 AM	B-97, All Heavens Building, Wazirpur Ring Road, Delhi – 110052	None

All Special Resolutions passed in the previous three Annual General Meetings of the Company were passed with requisite majority.

None of the resolutions proposed at the ensuing Annual General Meeting needs to be passed by Postal Ballot in terms of Section 110 of the Companies Act, 2013, read with Rules made thereunder.

POSTAL BALLOT

Resolutions passed by Postal Ballot:

During the year under review, your Company sought the approval of the Shareholders through the Postal Ballot Mechanism for the below mentioned resolution proposed by the Company vide Postal Ballot Notice dated June 24, 2016. The postal ballot was conducted in terms of the procedure provided under Section 110 of Companies Act, 2013 read with Rules made thereunder, as amended from time to time. The results on the voting conducted through Postal Ballot process were declared on July 30, 2016. The Resolution passed through postal ballot and the voting pattern (Postal Ballot & e-voting) is mentioned hereunder:

Particulars of Resolution	% of Votes	
	In favour	Against
Special Resolution for Migration from SME Exchange to Main Board of BSE Limited	100.00	0.00
Special Resolution for re-appointment of Mr. Rajeev Gupta as a Managing Director	100.00	0.00

Procedure followed for Postal Ballot:

The procedure prescribed under Section 110 of the Companies Act, 2013, read with Rules made thereunder was adopted for the Postal Ballot.

In compliance with aforesaid provisions, your Company offered E-Voting facility as an alternate/option, for voting by the Shareholders, in addition to the option of physical voting, to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Each Shareholder/Member had to opt for exercising only one mode for voting i.e. either by Physical Ballot or by e-voting. In case of Shareholder(s)/Member(s) who casted their vote via both modes i.e. Physical Ballot as well as e-voting, voting done through a valid Physical Postal Ballot Form was treated as prevailing over the e-voting of that Shareholder/Member. Ms. Kiran, Practicing Company Secretary was appointed as the Scrutinizer for carrying out the Postal Ballot in a fair and transparent manner.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company has complied with all mandatory requirements of Listing Regulations. In addition to the above, the Company has complied with the Reporting of Internal Auditor directly to the Audit Committee, the non-mandatory requirements of Listing Regulations.

MEANS OF COMMUNICATION

Quarterly and Annual Financial Results:

Pursuant to Regulation 33 and Regulation 30 of the Listing Regulations, the Company furnishes the quarterly un-audited as well as annual audited Financial Results, (within 30 minutes of closure of the Board meeting) by online filings, to the Stock exchange i.e. BSE Limited. Such information has also been displayed in the 'Investors' section on the Company's website i.e. www.rciind.com. Quarterly and Annual financial results including other statutory information are published in an English daily viz. 'Financial Express' (All Edition) and in a vernacular language newspaper viz. 'Jan Satta' (Delhi Edition).

News Releases/Presentations:

Official press releases and presentations made to institutional investors or to the analysts are displayed on Company's website www.rciind.com.

Website:

Pursuant to Regulation 46 of the Listing Regulations, the Company's website www.rciind.com contains a separate section 'investors' where all the information needed by shareholders is available including information on Directors, Shareholding Pattern, Quarterly Reports, Financial Results, Annual Reports, Press Releases and various policies of the Company.

Annual Report:

Annual Report is circulated to members and other concerned including Auditors etc. Further, the Management Discussion and Analysis (MDA) Report, highlighting operations, business performance, financial and other important aspects of the Company's functioning, forms an integral part of the Annual Report.

Chairman's Speech:

The Chairman's Speech forms part of this Annual Report and is also placed on the Company's website at www.rciind.com

BSE Corporate Compliance & Listing Centre:

Your Company has been regularly uploading information related to its financial results, periodical filings like shareholding pattern, corporate governance report and other communications on BSE's online portal BSE Corporate Compliance and Listing Centre, a web based application designated for corporate by BSE Limited.

GENERAL SHAREHOLDER INFORMATION

This section inter alia provides information pertaining to the Company, its shareholding pattern, means of dissemination of information, share price movements and such other information in terms of Listing Regulations relating to Corporate Governance.

A. Annual General Meeting:

Day & Date : Thursday, September 29, 2017

Venue : B-97, All Heavens Building, Wazirpur Ring Road, New Delhi - 110052

Time : 10:00 AM

Last date of receipt of proxy form : Wednesday, September 27, 2017

Book Closure : Tuesday, September 26, 2017 to Thursday September 28, 2017 (both days inclusive)

B. Financial year: 2016-17

C. Financial Calendar:

For the Financial year 2016-17

First quarter ended 30th June, 2016

Second quarter and half year ended 30th September, 2016

Third quarter and nine months ended 31st December, 2016

Fourth quarter and year ended 31st March, 2017

Results were announced on

Not Applicable, as the equity shares of the Company was listed on BSE SME Platform

Monday, November 14, 2016

Tuesday, February 14, 2017

Tuesday, May 30, 2017

D. Registered Office & Address for Correspondence:

B-97, All heavens Building, Wazirpur Industrial Area, Delhi - 110052

Tel: +91 11 2737 2194/ 2197, Fax: +91 11 2737 1334, Email: info@rciind.com

Website: www.rciind.com, CIN: L74900DL1992PLC047055

Email ID for Investors Relation: investors@rciind.com

Investor Grievance Officer: Mr. Abhishek Kedia, Company Secretary & Compliance Officer, Email ID: abhishek@rciind.com

E. Plant Locations:

RCI Copper (*A Unit of RCI Industries & Technologies Limited*):

Unit Himachal Pradesh: Khasra No. – 377/175 & 378/175, Village Rakh Ram Singh, Nalagarh, Distt. Solan, H.P, Tel/Fax: 01795 220796

Unit J&K: Lane-5, Phase-2, SIDCO Industrial Complex, Bari Brahmana, Jammu, Tel/Fax: 01923 220524

RCI Strips (*A Unit of RCI Industries & Technologies Limited formerly known as Devi Metal Technologies*): Plot No. 84, HPSIDC Baddi, Distt. Solan, H.P

F. Listing details of Equity Shares:

The Equity Shares of the Company are at present listed at the BSE Limited and the Company has paid the annual listing fee for the Financial Year 2017-18 to the said Stock Exchange.

Stock Code: 537254

ISIN at NSDL / CDSL: INE140B01014

G. Corporate Identity Number (CIN): L74900DL1992PLC047055

H. Registrar & Share Transfer Agent:

Shareholders may correspond with the Registrar & Share Transfer Agent at the following address for all matters related to transfer/dematerialization of shares and any other query relating to Equity shares of your Company:

Bigshare Services Private Limited**Unit: RCI Industries & Technologies Limited**

4E/8, First Floor, Jhandewalan Extension,

New Delhi - 110055

Tel: 011 2352 2373, Website: www.bigshareonline.com

Email: bssdelhi@bigshareonline.com

I. Custodial Fees to Depositories:

The Company has paid custodial fees for the year 2017-18 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories of the Company.

J. Service of Documents through E-mail

Your Company will be sending the Notice and Annual Report for the Financial Year 2016-17 in electronic form to the members whose e-mail address have been made available to the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the Annual Report for the Financial Year 2016-17 are sent in the permitted mode.

Members holding shares in electronic form but who have not registered their email address (including those who wish to change their already registered e-mail id) with their DP yet and members holding shares in physical form are requested to register their e-mail address with their DP / Company, as the case may be.

Members who have registered their e-mail address with their DP/the Company but wish to receive the said documents in physical form are requested to write to the Company at investor@rciind.com duly quoting their DP ID and Client ID / Folio No., as the case may be, to enable the Company to record their decision.

K. E-Voting Facility

In compliance with Section 108 of the Companies Act, 2013 and Regulation 44 of the Listing Regulations, your Company is providing e-voting facility to all members to enable them cast their votes electronically on all resolutions set forth in the Notice of Annual General Meeting, using the e-voting platform of NSDL. The instructions for e-voting have been provided in the Notice of Annual General Meeting.

L. Share Transfer System

All Shares have been transferred and returned within a period of 15 days from the date of receipt of completed and validly executed documents.

SEBI vide its circular no. MRD/DoP/Cir-05/2009 dated May 20, 2009 clarified that for securities market transactions and off-market/ private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/RTAs for registration of such transfer of shares. The Company and its RTA is complying with the aforesaid provisions.

As per the requirement in Regulation 7(3) of the Listing Regulations, certificate on half yearly basis confirming due compliance of share transfer formalities duly signed by both the Compliance Officer and

the authorised representative of Share Transfer Agent was submitted to the Stock Exchanges within stipulated time.

RCI Industries & Technologies Limited – Distribution of Shareholding as on 31st March 2017

Category of Shareholders	No. of Shares held	% to Paid Up Capital
Promoter & Promoter Group	8576615	63.83
Financial Institutions / Banks	5600	0.04
Resident Individuals & HUF	3710810	27.62
Non Resident Indians	10811	0.08
Bodies Corporates (including Clearing Members)	1132579	8.43
Total	13436415	100

Dematerialization of Equity Shares & Liquidity

As per extant guidelines, trading in equity shares of the Company is mandatory in dematerialized form. To facilitate trading in demat form, there are two Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both these Depositories. The Shareholders can open account with any of the Depository Participant registered with any of these two Depositories.

As on March 31, 2017, 99.98% of the equity shares of the Company are in the dematerialized form. Entire Shareholding of the Promoter's in the Company are held in dematerialized form. The equity shares of the Company are frequently traded at BSE Limited (BSE).

Status on Dematerialised shares (Equity ISIN No.)

Shares held through	% of Holding
NSDL	7967733
CDSL	5465882
Physical	2800

Market Price Data Relating to Shares Listed

The monthly high and low prices of Company's shares traded on BSE Limited (BSE) for the period April 2016 to March 2017 are as under:

Month	High (Rs.)	Low (Rs.)
April, 2016	72.90	72.90
May, 2016	79.50	79.00
June, 2016	84.00	83.00
July, 2016	86.00	79.00
August, 2016	105.00	86.00
September, 2016	177.45	99.50
October, 2016	208.00	170.00

November, 2016	195.00	112.00
December, 2016	179.40	138.00
January, 2017	234.00	179.00
February, 2017	264.50	223.00
March, 2017	235.50	174.00

Report on Corporate Governance

The Company regularly submits to the Stock Exchange, within the prescribed period, quarterly reports on Corporate Governance electronically through the online portal of the BSE. A Certificate from the Auditors of the Company regarding Compliance of conditions of Corporate Governance as stipulated under Schedule V of the Listing Regulations is attached as an 'ANNEXURE-7' to this Report.

ANNEXURE-7

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CHAPTER IV OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) 2015

To,
The Members of RCI Industries & Technologies Limited

We have examined the compliance of conditions of corporate governance by RCI Industries & Technologies Limited (“the Company”) for the year ended March 31, 2017, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 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 our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that as on March 31, 2017, no investor grievance has been filed against the Company as per the records maintained by the Stakeholder Relationship Committee.

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

For **RPMD & Associates**
Chartered Accountants
(FRN- 005961C)

Sd/-

Rahul Jain
Partner

Membership No.: 518352

Place: Delhi
Date: 02.09.2017

MANAGEMENT DISCUSSION AND ANALYSIS

Forward looking statement

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

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "RCI" are to RCI Industries & Technologies Ltd. and its subsidiaries and associates.

ECONOMIC OVERVIEW

Global GDP growth is projected to increase, rising from just under 3% in 2016 – the slowest pace since 2009 – to 3.3% in 2017 and around 3.5% in 2018. India's economy could expand by between 6.75% and 7.5% in 2017-18, a government survey said, signaling that growth could recover sooner than expected after a shock scrapping of high-value banknotes to fight "black money". The cash ban, however, will slow down growth for 2016/17 to below 7%, said the Economic Survey, which is an annual government report on the economy that also sets the tone for the general budget and floats new policy ideas. The survey said "demonetization" would bring long-term benefits to the economy.

It also said structural reforms and proposed Goods and Service Tax could boost growth rate to 8-10%. The GST will create a common Indian market, improve tax compliance and governance, and boost investment and growth; it is also a bold new experiment in the governance of India's cooperative federalism. All businesses face the task of lowering down the cost of production and simultaneously maintain the satisfaction of the consumer. This is why manufacturing industry is a very competitive industry. Therefore the GST will lead to the reduction in cost of production because the GST reduces the tax increment. The GST program should have allowed uninterrupted tax credit by removing the old indirect tax rule of not getting any tax credit of the central taxes over state taxes and vice versa.

India is among top 20 major producers of copper globally and one of largest copper importers alongside China, Japan, South Korea and Germany. In FY16, copper ore production in India at 39 lakh tonnes was 11% higher compared to the previous year. Refined copper production in FY16 was ~7.9 lakh tonnes and the estimated consumption was ~ 6.5 lakh tonnes.

The global mining and metals industry is focused on future growth through expanded production, without losing sight of operational efficiency and cost optimization. Overall, there is an inherent optimism about the India growth story and it is expected that domestic consumption will be the key demand driver in the sector. The Metal industry is the backbone of manufacturing and plays a vital role in the strengthening the economy of the country by contributing to GDP, generating employment and earning foreign exchange.

(Source: OECD Outlook, World Bank report on “Global Economic Prospects, January 2017”, Economic Survey 2017, Indian Copper Development Centre, and Analyst Reports)

ABOUT RCI Industries & Technologies

Head quartered in Delhi, it is among the leading manufacturers of copper products in India. The Company is into the trade and manufacturing of flat and round products in copper, brass, stainless steel and special alloys. With two plants in Himachal Pradesh at Nalagarh and Baddi, RCI offers a wide range of customized products.

The Company has a global customer network with a strong presence in Middle East and African countries. It caters to a diverse customer portfolio of traders and manufacturers.

CONSOLIDATED FINANCIAL AND BUSINESS OVERVIEW

The Company is in the business of manufacturing, trading and exporting Ferrous and Non-Ferrous Metal products. The Company achieved a turnover of Rs. 173,483 lakhs in FY17. The operational profits have improved on account of optimizing all the operations of the Company.

The consolidated performance of the Company for the financial year ended March 31, 2017, is as follows:

Total revenue from operations at Rs. 1,734.8 crore for the year ended March 31, 2017, as against Rs. 1,270.2 crore for the corresponding previous period, an increase of 127%, mainly on account of increase revenues from operational efficiencies and increased volumes.

The cost of raw materials for the financial year ended March 31, 2017 were Rs 1,657 crore as against Rs 1,220 crore for the corresponding previous period, an increase of 36%.

The staff expenses for the financial year ended March 31, 2017 were Rs 5.6 crore as against Rs. 1.2 crore for the corresponding previous period, an increase of 381%.

The other expenses for the financial year ended March 31, 2017 were Rs. 19.9 crore as against Rs 20.3 crore for the corresponding previous period, a decrease of 2%.

The EBIDTA (earnings before interest, depreciation and tax) was Rs. 52.3 crore for the year ended March 31, 2017, as against Rs. 28.7 crore for the corresponding previous period, an increase of 182%.

The depreciation for the financial year ended March 31, 2017 was Rs. 2.4 crore, as against Rs. 0.8 crore for the corresponding previous period, an increase of 211%.

The interest for the financial year ended March 31, 2017 was Rs. 12.9 crore as against Rs. 12.2 crore for the corresponding previous period, an increase of 5%.

The PAT (profit after tax) were Rs. 35.8 crore for the year ended March 31, 2017, as against Rs. 14.9 crore for the corresponding previous period, an increase of 240%.

The EPS (Earning Per Share) for the financial year ended March 31, 2017 was Rs. 26.7 for a face value of Rs 10 per share, as against Rs. 13.7 for the corresponding previous period.

RESOURCES AND LIQUIDITY

As on March 31, 2017, the consolidated networth stood at Rs. 147 crore and the consolidated debt was at Rs. 121 crore.

The cash and cash equivalents at the end of March 31, 2017 were Rs. 52 crore.

The net debt to equity ratio of the Company stood at 0.82 as on March 31, 2017.

RISKS AND CONCERNS

The Company faces the following Risks and Concerns:

Economic Risk

A part of business is substantially dependent on the prevailing global economic conditions. Factors that may adversely affect the global economy and in turn India's economic growth, that could affect the demand for copper and other non ferrous and ferrous metal products include slowdown in the rate of infrastructure development, inflation, changes in tax, trade, fiscal and monetary policies, scarcity of credit etc. However, given that our key drivers for demand are fast growing segments like Electrical, Transport, General Engineering and Consumer Durables combined with growth in global EXIM traffic and current prevailing trend of falling copper prices, we do not expect this risk to affect our business.

Competition Risk

This risk arises from more players wanting a share in the same pie. Like in most other industries, opportunity brings with itself competition. We face different levels of competition in each product segment, from domestic as well as multinational companies. However, RCI has established strong brand goodwill in the market and a strong foothold in a wide spectrum of non ferrous and ferrous products. We are one of leading copper product manufacturers and traders in India. Our wide network across the globe helps us generate higher volumes and negotiate competitive pricing. We have built a strong relationship with key industry suppliers and traders and as a result are able to obtain competitive commercial terms and operational advantages. We also counter this risk with the quality of our products, our customer-centric approach and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined and time bound order executions, coupled with prudent financial and human resources management and better control over costs. Thus, we do not expect to be significantly affected by this risk.

Trade Risk

Our business can be affected by the rise and fall in the levels of price and import of copper in the country. As per a Bloomberg report, in 2017 alone, 62,000 fewer tones of copper will come to market than previously expected. Global copper demand may continue to grow at a moderate pace as China, which accounted for 45% of global demand in 2015, transitions toward an economy driven by domestic consumer spending rather than government infrastructure investment. Given the projected growth in the Indian economy and expected recovery in global trade, rising spending in the infrastructure and manufacturing space and increasing per capita and disposable income, it is estimated that demand for goods will continue to rise steadily. The Company is further reducing its dependence on global EXIM trade by shifting focus from trading to manufacturing. Thus, we believe we have adequate mitigation in place for trade risk.

Regulatory Risk

If we are unable to obtain required approvals and licenses in a timely manner, our business and operations may be adversely affected. We require certain approvals, licenses, registrations and permissions for operating and expanding capacities at our plants. Also, some of the new value-added product segments that the Company plans to enter require Government approval. We may encounter delays in obtaining these requisite approvals, or may not be able to obtain such approvals at all, which may have an adverse effect on our revenues. However, the Government has come up with a number of initiatives to boost the sector. The estimated copper usage growth is expected to increase as the Government has put in process various initiatives such as Housing for All, Make in India and smart cities to name few. As all industry predictions suggest that this will be the trend in the future as well and given our own experience in obtaining such permissions, we do not expect this risk to affect us materially in the coming years.

Liability Risk

This risk refers to our liability arising from any damage to products, equipment, plant & machinery, life and third parties which may adversely affect our business. The Company attempts to mitigate this risk through contractual obligations and insurance policies.

Execution Risk

The Company has undertaken number of orders in the last year and several more are in the pipeline. Order execution is largely dependent upon sourcing of raw materials and timely manufacturing. Any delay in project implementation can impact revenue and profit for that period. Our implementation schedules are in line with the plans. Emergency and contingency plans are in place to prevent or minimize business interruptions. Therefore, we do not expect this risk to affect us materially in the future. Concerns like soaring copper and other metal prices, an unfavourable tax structure, infrastructure bottle-necks, retaining talent and unprecedented natural and man-made disasters and political/social turmoil which may affect our business, remain. However, these are threats faced by the entire industry. With superior methodologies and improved processes and systems, the Company is well positioned to lead a high growth path.

OPPORTUNITIES & THREATS

Although the competition in metal products is hectic, the Company has an edge over our competitors with our quality and timely execution of orders. Attraction and retention of customer base remains a key focus area for our Company.

Stagnant global trade, subdued investment, and heightened policy uncertainty marked another difficult year for the world economy. A moderate recovery is expected for 2017, with receding obstacles to activity in commodity - exporting emerging markets and developing economies. However, fiscal stimulus in key major economies—in particular, the United States—could lead to stronger-than-expected activity in the near term and thus represent a substantial upside in the overall global recovery. The higher transit time owing to geographical position and adverse movement of foreign exchange rate of the Rupee are major concerns for the growth of the industry as a whole.

On the domestic front, the full economic impact of demonetization is yet to reflect in the industries performance. The implementation of GST will bring about a paradigm shift in the way our domestic trade and manufacturing function. India's per capita copper usage is around 0.8 kg whereas the world average is 3.7 kgs, indicating clearly that there is a huge potential for growth. The falling prices of copper in

international markets are expected to benefit the Company. However large fluctuations in base metal prices may have a negative impact. Significant regulatory changes for metals, manufacturing and our customer segments would affect the way we do business.

The fluctuation of Rupee against US Dollar, a trend noted during the first quarter of the calendar year may affect the company's profitability in both short and long term. United States, European Union, China along with Japan (the four largest economies in the world) will largely determine the direction of the global economy through the rest of this year and into 2018. The good news is that the advanced economies are expected to stage an overall recovery and will perform more strongly and contribute more to global growth in 2017-18.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

- The Company has a comprehensive risk management framework
- RCI Industries & Technologies Limited has in place a well-defined Whistle Blower Policy/ Vigil Mechanism
- RCI Industries and Technologies Limited has a system of Internal Business Reviews

All departmental heads discuss their business issues and future plans in monthly review meetings. They review their achievements in quarterly review meetings. Specialized issues like investments, property, FOREX are discussed in their respective Internal Committee meetings. The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of internal audits conducted by in house trained personnel.

The audit observations and corrective action taken thereon are periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

HUMAN RESOURCES

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

As on March 31, 2017, the Company had a workforce of 179 people on rolls.

OUTLOOK

The Company constantly endeavors to improve the quality of its products to secure an increased number of orders at competitive rates. On account of bulk orders and bargain power, the Company is able to quote better rates and maintain high quality of products. However, copper industry needs great support from the government as it is going through a difficult phase due to slow down in global market and increasing competition from imports.

In a conscious shift from trading to manufacturing, the Company acquired M/s Devi Metal Technologies – a manufacturing unit for flat rolled products (Strips/Foils/Coils) located in Baddi, Himachal Pradesh. The Company plans to foray into value added segments of defence and the mint in an endeavor to enhance profitability.

At a sectoral level, there exists tremendous growth potential for copper in India. This will come from sectors like power, telecom, automobile, railway, defence etc. Reports indicate that the domestic copper usage will double in India by next decade driven by Government initiatives and increased consumption.

Barring unforeseen circumstances the company is confident of achieving better results in the current year.

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

By Order of the Board of Directors

For **RCI Industries & Technologies Limited**

Sd/-

Mr. Rajeev Gupta

Chairman & Managing Director

DIN 00503196

Date: 02.09.2017

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
RCI INDUSTRIES & TECHNOLOGIES LIMITED
Delhi.

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **RCI INDUSTRIES AND TECHNOLOGIES LIMITED** having their registered office at B-97, Wazirpur industrial Area, Delhi - 110052 which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan

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

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2017;
 - ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
 - iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2015 as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 of the said Order.
8. Subject to para 7 of this report and as required by the section 143(3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- iii. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;
- iv. In our opinion, the aforesaid standalone financial statement comply with the Accounting standards specified under Section 133 of the Act, Rule 7 of the Companies (Accounts) Rules, 2014;
- v. On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of Section 164(2) of the Act;
- vi. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- vii. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Accounts) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - a. The company does not have any pending litigations which would impact its financial position materially.
 - b. The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - d. The company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts made by the company. Refer to note 2.33 to the standalone financial statements.

For RPMD & Associates
Chartered Accountants

ICAI Firm's registration number: 005961C

(Rahul Jain)

Partner

Membership number: 518352

Place: Delhi

Date: May 30th 2017

“Annexure A” to Auditor’s Report

As referred to in para 7 of our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31st March, 2017.

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

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information;
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
In accordance with the manner of periodical checking by the management, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. Consequently, further comment on proper treatment thereof in the books of accounts does not arise; and
 - c) According to the information and explanation provided to us, the Company is holding title deeds of immovable properties, owned by it, in its name.
2. According to the information and explanation provided to us, the physical verification of the inventory has been conducted at regular intervals by the management. In our opinion, the frequency of verification is reasonable.
We are informed that the discrepancies between the physical stocks and the books of account were negligible;
3. According to the information and explanations provided to us, in respect of the loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
 - a) The terms and conditions of the grant of such loans are not prejudicial to the company’s interest.
 - b) The schedule of the repayment has been stipulated and the receipt of the principal amount or interest is regular.
 - c) There is no overdue amount which has not been received.
4. According to the information and explanations provided to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to loans and investments made. Consequently, further comment under this clause does not arise.
5. According to the information and explanations provided to us, the Company has not accepted any deposit from the public. Consequently, further comment under this clause does not arise.

“Annexure A” to Auditor’s Report

As referred to in para 7 of our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31st March, 2017.

6. According to the information and explanations provided to us, the company is maintaining cost records in accordance with the requirements of sub section (1) of section 148 of the Act read with Companies (Cost Records and Audit), 2014. Consequently, further comment under this clause does not arise.
7.
 - a) According to the records of the company produced before us and as per the information and explanation provided to us, the company is regular in depositing with the appropriate authorities undisputed statutory dues including Income Tax and other statutory dues and there does not exist, any arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
 - b) According to the information and explanations provided to us, there does not exist any dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of dispute except as mentioned in Note 2.28 to Standalone financial statements wherein Rs. 93,22,087/- has been shown as contingent liabilities in respect of disputed demand pertaining to tax laws.
8. According to the information and explanations provided to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or government or bank. Consequently, further comment under this clause does not arise.
9. According to the information and explanations provided to us, the Company has not raised money by issue of public offer (including debt instruments) and term loan. Consequently, further comment under this clause does not arise.
10. According to the information and explanations provided to us and based on our examination of the books of accounts maintained, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year. Consequently, further comment under this clause does not arise.
11. According to the information and explanations provided to us and based on our examination of the books of accounts maintained, the company has paid managerial remuneration to the ‘Managing Director’ which is in accordance with the provisions of Section 197 read with Schedule V to the Act. Consequently, further comment under this clause does not arise.
12. According to the information and explanations provided to us, the Company is not a Nidhi Company as per section 406(1) of the Act. Consequently, further comment under this clause does not arise.

“Annexure A” to Auditor’s Report

As referred to in para 7 of our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31st March, 2017.

13. According to the information and explanations provided to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and are disclosed in note 2.31 forming part of the standalone financial statements, annexed to this audit report in compliance of AS-18 Related Party Disclosures.

14. According to the information and explanations provided to us and based on our examination of the books of accounts maintained, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Consequently, further comment under this clause does not arise.

15. According to the information and explanations provided to us, the Company has not entered into any transactions with directors or persons connected with him or its subsidiary company to transfer any assets for consideration other than cash under Section 192 (1)(a) of the Act. According to the information and explanations provided to us, the Company has not entered into any transactions with directors or persons connected with him to acquire any assets for consideration other than cash under Section 192 (1)(b) of the Act.

16. According to the information and explanations provided to us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Consequently, further comment under this clause does not arise.

For RPMD & Associates
Chartered Accountants

ICAI Firm’s registration number: 005961C

(Rahul Jain)

Partner

Membership number: 518352

Place: Delhi

Date: May 30th 2017

“Annexure B” to Auditor’s Report

As referred to in para 8(vi) of our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31st March, 2017.

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

1. We have audited the internal financial controls over financial reporting of RCI Industries & Technologies Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

“Annexure B” to Auditor’s Report

As referred to in para 8(vi) of our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31st March, 2017.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

“Annexure B” to Auditor’s Report

As referred to in para 8(vi) of our report of even date to the members of RCI Industries & Technologies Ltd on the standalone accounts of the Company for the year ended 31st March, 2017.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RPMD & Associates

Chartered Accountants

ICAI Firm’s registration number: 005961C

(Rahul Jain)

Partner

Membership number: 518352

Place: Delhi

Date: May 30th 2017

RCI INDUSTRIES AND TECHNOLOGIES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDING ON
MARCH 31, 2017

CORPORATE INFORMATION

The Company was incorporated on January 7, 1992 and is a public limited company. The main object of the company is to manufacture, import, export, trade and otherwise deal in all types of ferrous and non-ferrous metal and products thereof. The company is listed on Bombay Stock Exchange.

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on the accrual basis. IGAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

B. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liability as at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognized in the period in which results are ascertained.

C. Cash Flow Statement

Cash flow statement is prepared in accordance with AS-3 of Companies (Accounting Standards) Rules, 2006, using the indirect method to determine cash flow from operating activities.

D. Fixed Assets.

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

RCI INDUSTRIES AND TECHNOLOGIES LIMITED**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDING ON MARCH 31, 2017**

All costs, attributable to the fixed assets are capitalized. Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

E. Employee Benefits

The amount paid/ payable on account of short term employee benefits, comprising largely of salaries & wages, short term compensated absences and annual bonus is valued on an undiscounted basis and charged to the profit and loss statement for the year.

Defined contribution plans: Fixed contribution to provident and other funds which are defined contribution schemes are absorbed in the accounts at actual cost to the company.

Defined benefit plans:

Gratuity: The net present value of the obligation for gratuity benefits as determined on actuarial valuation, conducted using the projected unit credit method, as adjusted for unrecognized past services cost if any, is recognized in the accounts. Actuarial gains and losses are recognized in full in the profit and loss statement for the period in which they occur.

Compensated Absences: The Company has a scheme for compensated absences for employees, the liability other than for short term compensated absences is determined on actuarial valuation using the projected unit credit method. Actuarial gain and losses are recognized in full in the profit and loss statement for the period in which they occur.

F. Leases

Operating Leases: Lease arrangement where the risks and rewards are incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss account on a straight-line basis.

RCI INDUSTRIES AND TECHNOLOGIES LIMITED**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDING ON MARCH 31, 2017**

Finance Leases: Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases.

G. Investments

Long Term Investments are stated on the principles of historical cost convention. Long term investments made by the company include investment in wholly owned subsidiaries by way of equity and loan.

H. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any except in case of by products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their present location and condition.

I. Depreciation

Pursuant to Companies Act, 2013, the company has adopted the estimated useful life of the fixed assets on written down value as prescribed under Schedule II of the Companies Act, 2013 for the purpose of computation of depreciation.

J. Revenue Recognition

In line with the generally accepted accounting practices, revenue from operations comprises of the revenue from sales, export incentives and other operating income.

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

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

K. Expenditure

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

RCI INDUSTRIES AND TECHNOLOGIES LIMITED**NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDING ON MARCH 31, 2017**

L. Foreign Currency Transactions

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

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

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

M. Provision for Current and Deferred Tax

Tax expense comprising current tax and deferred tax are recognized in profit and loss account statement for the year.

Current tax is the amount of income tax determined to be payable in respect of taxable income as computed under the tax laws.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The effect on deferred tax assets and liabilities due to change in such assets/ liabilities as at the end of accounting period as compared to that at the beginning to the period due to a change in tax rates are recognized in the income statement for the period.

N. Provisions, Contingent Liabilities and Contingent Assets

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

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

Other contingent liabilities to the extent management is aware is disclosed by way of notes on financial statement.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

RCI INDUSTRIES & TECHNOLOGIES LTD
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	Note	As at 31 March 2017	As at 31 March 2016
		Rs.	Rs.
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
Capital Account	2.1	134,364,150	108,994,150
Reserves and surplus	2.2	896,516,831	359,344,901
Non-Current Liabilities			
Long-term borrowings	2.3	300,000,000	300,000,000
Other long term liabilities	2.4	3,519,247	149,110,832
Deferred tax liabilities (net)	2.5	5,836,310	-
Long term provisions	2.6	4,195,009	963,581
Current liabilities			
Short-term borrowings	2.7	1,210,154,235	760,579,505
Trade payables	2.8	1,176,369,369	1,058,841,218
Other current liabilities	2.9	163,102,256	196,379,820
Short term provisions	2.10	28,822,170	17,529,097
		3,922,879,577	2,951,743,103
<u>ASSETS</u>			
Non current assets			
Fixed assets			
- Tangible assets	2.11	209,780,294	42,504,587
- Intangible assets		-	-
- Capital Work in Progress	2.11	159,841,072	-
Non Current investments	2.12	47,675,360	47,665,960
Deferred tax assets (net)	2.5	-	246,553
Long term loans and advances	2.13	37,973,139	14,294,836
Current assets			
Current Investments		500,000	-
Inventories	2.14	720,226,059	741,482,322
Trade receivables	2.15	1,953,594,570	1,748,379,980
Cash and cash equivalents	2.16	517,557,732	72,007,312
Short term loan and advances	2.17	269,009,429	272,286,476
Other current assets	2.18	6,721,921	12,875,077
		3,922,879,577	2,951,743,103

Significant Accounting Policies

1

Notes on Financial Statements

2

For & on behalf of Board of Directors

As per our report of even date

For RPMD & Associates

Chartered Accountants

Firm's registration no. 005961C

(Rajeev Gupta)

Managing

Director

DIN- 00503196

(Mamta Gupta)

Director

DIN- 00503302

(Rahul Jain)

Partner

Membership No. 518352

Place: Delhi

Date: May 30th, 2017

(Inder Prakash Saboo)

Chief Financial Officer

(Abhishek Kedia)

Company Secretary

M No. A33537

RCI INDUSTRIES & TECHNOLOGIES LTD

STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	Note	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
Revenue			
Revenue from operations	2.19	13,839,977,093	11,478,991,527
Other income	2.20	22,772,365	8,855,742
Total Revenue		13,862,749,458	11,487,847,269
Expenses			
Cost of materials consumed	2.21	7,729,312,403	5,828,599,419
Purchases of stock-in trade		5,672,390,498	5,155,522,438
Change in inventory of finished goods/ WIP/ Stock in trade	2.22	(30,865,308)	114,217,497
Employee benefits expense	2.23	51,374,794	10,639,387
Finance costs	2.24	128,176,164	121,419,079
Depreciation and amortization expense	2.11	24,125,771	7,769,131
Other Expenses	2.25	182,613,330	197,801,680
Total expenses		13,757,127,651	11,435,968,631
Exceptional items		-	-
Profit/(Loss) before extraordinary items and tax		105,621,807	51,878,638
Less: Tax expense			
Current tax		28,822,170	17,529,097
Deferred Tax	2.4	6,082,863	(330,372)
Minimum alternate tax		-	-
Profit/(Loss) for the period		70,716,775	34,679,913
Earning per equity share			
Basic/Diluted	2.26	6.17	3.18

Significant Accounting Policies
Notes on Financial Statements

1
2

For & on behalf of Board of Directors

As per our report of even date

For RPMD & Associates
Chartered Accountants

Firm's registration no. 005961C

(Rajeev Gupta)
Managing
Director
DIN- 00503196

(Mamta Gupta)
Director
DIN- 00503302

(Rahul Jain)
Partner
M No. 518352
Place: Delhi
Date: May 30th, 2017

(Inder Prakash Saboo)
Chief Financial Officer

(Abhishek Kedia)
Company Secretary
M.No. A33537

RCI INDUSTRIES & TECHNOLOGIES LIMITED
Standalone Cash Flow Statement for the year ended 31st March, 2017

Particulars	For The Year Ended March 31,2017	For The Year Ended March 31,2016
A. Cash flow from Operating activities		
Profit/ (Loss) before tax	105,621,807	51,878,638
<i>Adjustments for:</i>		
Depreciation	24,125,771	7,769,131
Interest Expense	128,176,164	121,419,079
Interest income	(21,665,877)	(8,312,870)
(Profit)/ Loss on Sale of Fixed Assets	-	(35,549)
Operating profit before working capital changes	236,257,865	172,718,429
<i>Movements in working capital :</i>		
(Increase)/ Decrease in Inventories	21,256,263	(132,784,320)
(Increase)/Decrease in Trade Receivables	(205,214,590)	(145,172,021)
(Increase)/Decrease in Other Receivables	(20,401,256)	73,002,227
Increase/(Decrease) in Trade Payables and Other Liabilities	(46,816,497)	6,261,360
(Increase)/Decrease in Other assets	6,153,157	(3,844,096)
<i>Cash generated from operations</i>	(8,765,057)	(29,818,421)
Income tax Refund/ (paid) during the year	(28,966,438)	(25,625,495)
Insurance-claim received	-	-
Net cash from operating activities (A)	(37,731,495)	(55,443,916)
B. Cash flow from Investing activities		
Purchase of Fixed assets (including capital advances)	(350,098,127)	(24,136,810)
(Purchase)/Sale Of Long Term Investment	(9,400)	(45,671,895)
(Purchase)/Sale Of Current Investment	(500,000)	-
Sale of Fixed Assets	-	82,000
Interest Income	21,665,877	8,312,870
Dividend Received	-	-
Net cash from investing activities (B)	(328,941,650)	(61,413,835)
C. Cash flow from Financing activities		
Proceeds from issue of share capital/ application money	490,825,000	-
Increase / (Decrease) in borrowings	449,574,730	249,479,738
Interest paid on borrowings	(128,176,164)	(121,419,079)
Dividend Paid	-	-
Net cash from financing activities (C)	812,223,566	128,060,659
Net increase in cash and cash equivalents (A+B+C)	445,550,420	11,202,908
Cash and cash equivalents at the beginning of the year	72,007,311	60,804,403
Cash and cash equivalents at the end of the year	517,557,732	72,007,311

As per our report of even date

For & on behalf of Board of Directors

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

(Rahul Jain)
Partner
Membership No. 518352
Place: Delhi
Date: May 30th, 2017

(Rajeev Gupta)
Managing
Director
DIN- 00503196

(Manita Gupta)
Director
DIN- 00503302

(Inder Prakash Saboo)
Chief Financial Officer

(Abhishek Kedia)
Company Secretary
M No. A33537

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

2.1 SHARE CAPITAL

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Authorised 150,00,000 shares of Rs.10 each (PY 150,00,000 shares of Rs. 10 each)	150,000,000	150,000,000
	150,000,000	150,000,000
Issued, Subscribed & fully paid up 134,36,415 shares of Rs.10 each (PY 108,99,415 shares of Rs.10 each)	134,364,150	108,994,150
	134,364,150	108,994,150

2.1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31 March 2017	
	Number	(Rs.)
At the beginning of the year	10,899,415	108,994,150
Issued during the year for consideration in cash	2,537,000	25,370,000
Outstanding at the end of the year	13,436,415	134,364,150

Equity shares

	31 March 2016	
	Number	(Rs.)
At the beginning of the year	10,899,415	108,994,150
Issued during the year for consideration in cash	-	-
Outstanding at the end of the year	10,899,415	108,994,150

2.1.2 The Company has allotted, on preferential basis, 8,00,000 Equity Shares having face value of Rs.10/- each at Rs. 125 Per share including share premium of Rs. 115 per Share in board meeting held on October 6, 2016. The Company has further allotted, on preferential basis, 17,37,000 Equity Shares having face value of Rs.10/- each at Rs. 225 Per share including share premium of Rs. 215 per Share in board meeting held on February 17, 2017.

b. Terms/ rights attached to equity shares

1. The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
2. The company has not declared or paid any dividend to the shareholder at any time since inception of the company
3. The company is listed on Bombay Stock Exchange.

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

Name of Shareholders	As at 31 March 2017	As at 31 March 2016
	No. of Shares held (%)	No. of Shares held (%)
Rajeev Gupta	4764720 (35.46)	4364720 (40.05)
Ace Matrix Solutions Ltd.	1751900 (13.04)	1751900 (16.07)
Metalrod Pvt Ltd.	812500 (6.05)	812500 (7.45)
Kamlesh Shantilalji Jain	-	606000 (5.56)
Ace Trade Solutions Pvt Ltd	595750 (4.43)	595750 (5.47)

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

2.2 RESERVE AND SURPLUS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Securities Premium Account		
Opening Balance	218,786,395	218,786,395
Add: Amount received towards issues of shares during the year	465,455,000	-
Less: Amount utilised towards public issue expenses	-	-
Closing Balance	684,241,395	218,786,395
Surplus balance in the statement of profit and loss		
Opening Balance	140,558,505	113,974,991
Add: Profit/(Loss) for the year	70,716,775	34,679,913
Less: Excess Provision of Income Tax/ Income W/Off and TDS	-	-
Receivable of Previous years	(144,268)	(8,108,305)
Add/ Less: Dep W/off pursuant to change in useful life	1,144,424	11,907
Closing Balance	212,275,436	140,558,505
	896,516,831	359,344,900

2.3 LONG TERM BORROWINGS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
UNSECURED		
Intercompany Deposits	300,000,000	300,000,000
	300,000,000	300,000,000

2.4 OTHER LONG TERM LIABILITIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
UNSECURED		
Other Long term liabilities	476,396	-
Payable on purchase of fixed assets	3,042,851	610,832
Security Deposit from Buyers	-	148,500,000
	3,519,247	149,110,832

2.5 DEFERRED TAX LIABILITIES

Particulars	As at	During the year	As at
	1 April' 2016		31 March, 2017
DTI/ DTA			
Depreciation	(246,553)	6,082,863	5,836,310
Net DTI/ DTA	(246,553)	6,082,863	5,836,310

2.6 LONG TERM PROVISIONS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Provision for Employee Benefits		
Gratuity	4,195,009	963,581
	4,195,009	963,581

a) Gratuity
 Change in present value of obligation

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Present value of obligation as at the beginning of the year	963,581	695,932
Obligation of Taken over unit	2,199,664	-
Interest cost	246,733	54,283
Current service cost	1,247,176	339,450
Benefits paid	(521,658)	-
Actuarial (gain)/loss on obligation	51,946	(126,084)
Present value of obligation as at the end of year	4,187,442	963,581

Actuarial gain / loss recognized

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Actuarial gain/(loss) for the year -obligation	(51,946)	126,084
Actuarial (gain)/loss for the year plan assets	-	-
Total (gain)/loss for the year	51,946	(126,084)
Actuarial (gain) / loss recognized in the year	51,946	(126,084)
Unrecognized actuarial (gains) losses at the end of year	-	-

The amounts to be recognized in balance sheet and related analysis

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Present value of obligation as at the end of the year	4,187,442	963,581
Fair value of plan assets as at the end of the year	-	-
Funded status / Difference	(4,187,442)	(963,581)
Net asset/(liability) recognized in balance sheet	(4,187,442)	(963,581)

RCI INDUSTRIES & TECHNOLOGIES LTD
 NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Expense recognized in the statement of profit and loss

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Current service cost	1,247,176	339,450
Interest cost	246,733	54,283
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the year	51,946	(126,084)
Expenses recognized in the statement of profit and losses	1,545,855	267,649

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

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Discount rate	7.50%	7.80%
Future salary increase rate	8.00%	10.00%
Retirement age (years)	60	60

2.7 SHORT TERM BORROWINGS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Secured		
Working Capital Loans		
Rupee Loans from Banks/ Financial Institutions		
-Oriental Bank of Commerce	99,316,011	77,993,422
-Jammu & Kashmir Bank	49,175,538	9,988,604
-Union Bank of India	274,734,552	321,397,707
-Indian Bank	67,678,783	-
Foreign Currency Loans		
- Buyers Credit from Union Bank of India	117,629,992	-
- Buyers Credit from Oriental Bank of Commerce	-	110,259,722
- Buyers Credit from Indian Bank	78,475,904	-
Bank Guarantee Discounting Facility from Axis Bank	-	139,964,784
Packing Credit Loan from Shinhan Bank	422,939,028	-
Unsecured		
Channel Finance Facility from Axis Bank	100,204,427	100,795,479
Loans and advances from related parties	-	179,787
	1,210,154,235	760,579,505

2.7.1 Secured loans from banks/ financial institutions

- Rupee Loans, Buyers Credit are secured by hypothecation of present and future inventories, outstandings and receivables
- Packing Credit Loan is secured against term deposits

2.8 TRADE PAYABLES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Trade Payables		
-Acceptances against Letter of Credit issued by Banks	126,884,251	-
-Other than Acceptances	1,049,485,118	1,058,841,218
	1,176,369,369	1,058,841,218

2.9 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Advances from Customers	75,269,107	61,217,635
CST Security against C Form	11,076,051	11,076,051
Current maturities of long term debt	-	271,416
Expenses Payables	67,583,373	111,802,503
Statutory Liabilities	9,173,724	12,012,215
	163,102,256	196,379,820

2.10 SHORT-TERM PROVISIONS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Provision for Income Tax	28,822,170	17,529,097
	28,822,170	17,529,097

2.12 NON CURRENT INVESTMENTS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Other non-current Investments		
Investment in Wholly Owned Subsidiaries		
Investment in Equity share of RCI Skills & Development Pvt Ltd	100,000	100,000
Investment in Equity share of RCI World Trade Link DMCC, Dubai	46,622,000	46,622,000
Loans to RCI Skills & Development Pvt Ltd	953,360	943,960
	47,675,360	47,665,960

Note 2.11

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

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 01.04.2016	ADDITIONS	DELETIONS /ADJ.	AS ON 31.03.2017	AS ON 01.04.2016	DURING THE YEAR	DELETIONS /ADJ.	AS ON 31.03.2017	AS ON 31.03.2016
LAND	1	47,020,817	-	47,020,818	-	-	-	47,020,818	1
LEASE HOLD EQUIPMENTS	186,545	-	-	186,545	127,936	12,030	-	139,966	58,609
CONTAINER	405,000	-	-	405,000	163,252	32,815	-	196,067	241,748
PLANT & MACHINERY	33,496,362	105,593,109	-	139,089,471	17,414,188	15,285,675	(1,263,143)	31,436,720	16,082,174
BUILDING	29,086,622	14,880,747	-	43,967,369	14,904,101	2,762,928	(22,331)	17,644,698	14,182,521
MOTOR VEHICLES	22,889,324	9,480,907	-	32,370,231	12,972,671	4,401,772	-	14,995,789	9,916,653
FURNITURE	612,608	205,250	-	817,858	511,155	75,683	4,103	590,941	101,453
ELECTRONIC INSTALLATION	1,332,265	9,198,077	-	10,530,342	927,951	524,263	-	1,452,214	404,314
WEIGHING MACHINE	156,868	93,100	-	229,968	64,256	29,362	-	93,618	73,612
OFFICE EQUIPMENTS	3,621,723	2,197,500	-	5,819,223	2,334,368	733,411	156,209	3,223,988	1,287,355
COMPUTERS & PRINTERS	1,146,017	1,587,548	-	2,733,565	988,870	267,832	(19,263)	1,237,440	157,147
CAPITAL WORK IN PROGRESS	-	159,841,072	-	159,841,072	-	-	-	159,841,072	-
CURRENT YEAR - TOTAL	92,913,335	350,098,128	-	443,011,463	50,408,748	24,125,771	(1,144,424)	73,390,094	42,504,587
PREVIOUS YEAR - TOTAL	69,344,203	24,124,903	555,771	92,913,335	43,160,844	7,769,131	(521,227)	42,504,587	26,183,359

2.13 LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Unsecured, considered good		
Capital Advances	27,578,969	-
Other loans and advances	1,219,073	6,685,325
Security Deposits	9,175,097	7,609,511
	37,973,139	14,294,836

2.14: INVENTORIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Raw Material	279,749,226	331,870,797
Work In Progress	17,722,345	-
Finished Goods	34,672,418	52,628,697
Stock in trade	388,082,069	353,714,285
Stock on Consignment	-	3,268,542
	720,226,059	741,482,322

2.15: TRADE RECEIVABLES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Unsecured, considered good		
Debts outstanding for period for less than six months	1,911,884,965	1,701,549,936
Debts outstanding for period for more than six months	41,709,605	46,830,044
	1,953,594,570	1,748,379,980

2.16: CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Cash on hand	3,834,853	2,409,913
Balance with Banks in Current A/c	(5,779,545)	15,562,239
Balance with Banks in FDRs with original maturity of less than 12 months		
Margin Money in the form of Deposits	519,502,425	54,035,160
	517,557,732	72,007,312

2.17: SHORT TERM LOAN AND ADVANCES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Advances to Suppliers	17,848,104	9,268,678
Balance with Government Authorities	237,684,648	247,210,915
Loans and advances to related parties	-	6,000,000
Other Loan and Advances	6,350,929	-
Prepaid Expenses	4,045,349	3,823,037
Security Deposits	3,080,400	5,983,845
	269,009,429	272,286,476

2.18: OTHER CURRENT ASSETS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Interest Accrued on Deposits	54,772	5,674,502
Rent Receivable	-	75,000
Insurance Claims	6,681,740	6,681,740
Other misc current assets	(14,591)	443,836
	6,721,921	12,875,077

2.19: REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Sale of Products		
Domestic Sales	12,290,117,511	7,749,776,272
Export Sales	1,489,142,790	3,692,409,765
Sale of Services	19,935,704	-
Other Operating Revenues	40,781,088	36,805,491
	13,839,977,093	11,478,991,527

2.19.1: Other operating revenues comprises

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Other Operating Income	-	-
Export Incentives	40,781,088	36,805,491
	40,781,088	36,805,491

2.20: OTHER INCOME

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Comission received	526,443	-
Discount received	98,845	48,882
Interest income	21,665,877	8,312,870
Miscellaneous income	481,201	493,990
	22,772,365	8,855,742

Interest Income Comprises:

Interests on loans and advances	5,915,143	1,434,913
	5,915,143	1,434,913

2.21: COST OF MATERIAL CONSUMED

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Opening stock	331,870,797	84,868,980
Add: Purchases	7,677,190,832	6,075,601,236
Less: Closing Stock	279,749,226	331,870,797
Cost of Material Consumed	7,729,312,403	5,828,599,419

2.22: CHANGE IN INVENTORY OF FINISHED GOODS/ WIP/ STOCK IN TRADE

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Inventories at the end of the year		
Work in progress	17,722,345	-
Finished Goods	34,672,418	52,628,697
Stock-in-trade	388,082,069	353,714,285
Stock on Consignment	-	3,268,542
	440,476,833	409,611,525
Inventories at the beginning of the year		
Work in progress	-	-
Finished Goods	52,628,697	23,630,898
Stock-in-trade	353,714,285	477,605,456
Stock on Consignment	3,268,542	22,592,667
	409,611,525	523,829,021
	(30,865,308)	114,217,497

2.23: EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Contribution to provident and other funds	2,354,516	286,816
Salary and Wages	42,460,090	8,205,426
Staff Welfare Expenses	3,114,368	679,496
Director's remuneration	1,200,000	1,200,000
Provision for Gratuity	1,545,855	267,649
Contribution to ESIC/ Insurance Linked Expenses	699,965	-
	51,374,794	10,639,387

2.24: FINANCE COST

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Interest Expense on borrowings	83,310,152	87,725,561
Interest Expense on others	97,583	98,473
Interest expense on Trade Payables	29,568,340	19,486,736
Net (Profit)/ Loss on foreign currency transactions and translations	(3,735,805)	1,270,800
Other borrowing costs	18,935,894	12,837,508
	128,176,164	121,419,079

2.25: OTHER EXPENSES

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Audit Fees	557,000	250,000
Business Promotion Expenses	328,397	1,651,617
Clearing & Forwarding Charges	3,842,533	13,291,998
Commission on Sales	51,212,872	82,082,487
Consumable Expenses	199,550	518,555
Conveyance & Travelling Expenses	3,135,477	732,286
Donation & Charity	3,116,000	22,000
Freight & Cartage	33,663,467	32,007,418
General Expenses	4,690,058	1,315,237
Insurances	2,473,883	1,900,318
Legal and Professional Charges	5,932,659	7,016,158
Manufacturing Cum Consultancy Charges for Artwares	-	30,941,915
Net Profit/ loss on foreign currency transaction and translation	28,816,292	224,742
Office Maintenance Expenses	51,830	227,921
Other government charges and taxes	219,691	76,342
Packing Charges	1,705,822	-
Pollution Expenses	30,700	-
Power & Fuel	18,586,257	3,157,184
Printing & Stationary Expenses	440,554	193,831
Rebate, Claims and Discount Expenses	787,800	90,057
Rent, rate and Taxes	1,703,753	1,948,550
Repair & Maintenance	1,645,337	724,493
Shipment Expenses	12,104,802	17,963,363
Telephone & Postage Expenses	795,401	567,600
Vehicle Running & maintenance expenses	1,347,336	897,609
Loss/Expenses Related to hedging/derivatives contracts.	4,620,534	-
Prior Period Expenses	605,326	-
	182,613,330	197,801,680

2.26 EARNINGS PER SHARE

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Net Profit for the Year	70,716,775	34,679,913
Weighted average number of equity shares	11,455,181	10,899,415
Nominal value of shares (In Rs)	10	10
Basic/ Diluted Earning Per Share	6.17	3.18

2.27 DETAILS ON DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURES

- a. The Company have hedged USD 3,215,000 as at 31st March, 2017 against payables of USD 5,159,096 (Rs. 334,508,579)
- b. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are
Payable in USD - \$ 1,944,096 (Rs. 126,052,480) and Receivables in USD - \$15,458,488 (Rs. 1,002,518,982)

2.28 VALUE OF IMPORTS CALCULATED ON CIF BASIS

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Raw Material	1,337,817,454	3,467,860,227
Traded Goods	374,962,807	170,706,305
Capital Goods	-	5,901,875
	1,712,780,261	3,644,468,406

2.29 EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Interest Payment	2,460,310	1,173,560
Commission on Export Sales	43,322,131	70,386,414
Tour & Travelling	1,372,861	-
	47,155,302	71,559,974

2.30 EARNINGS IN FOREIGN EXCHANGE

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Export of goods	1,489,142,790	3,692,409,765
	1,489,142,790	3,692,409,765

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2017

2.31 Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Rajiv Gupta
Relatives of KMP (Relation with KMP)	Mrs. Mamta Gupta(Wife), Mr. Pradeep Gupta(Brother)
Subsidiaries	RCI World Trade Link DMCC (Dubai), RCI Skills & Development Pvt Ltd
Enterprises in which KMP / Relatives of KMP can exercise significant influence	Mamta Global Pvt Ltd, All Heavens Restaurant Pvt Ltd

Note: Reliance for list of related parties, nature of relationship and transactions during the year & balances as on 31st March 2017 is placed on the details provided by the management.

Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017:

	Subsidiaries	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	-	-	-	-
	(54,907,277)	-	-	-	(54,907,277)
Receiving of services	-	1,200,000	-	120,000	1,320,000
	-	(1,200,000)	-	(120,000)	(1,320,000)
Advance received back	-	-	-	1,975,000	1,975,000
	-	-	-	-	-
Loan/ Investment in Subsidiaries	9,400	-	-	-	9,400
	(45,721,895)	-	-	-	(45,721,895)
Loan from Subsidiaries	-	-	-	-	-
	-	-	-	-	-

Balances outstanding at the end of the year

Trade payables/ Expenses Payables	-	-	-	-	-
	(54,826,468)	-	-	-	(54,826,468)
Loans and advances Receivable	-	-	2,000,000	2,025,000	4,025,000
	-	-	(2,000,000)	(4,000,000)	(6,000,000)
Loans/ Investment in Subsidiaries	47,675,360	-	-	-	47,675,360
	(47,665,960)	-	-	-	(47,665,960)
Loan from Subsidiaries	300,000,000	-	-	-	300,000,000
	(300,000,000)	-	-	-	(300,000,000)
Loans and advances Payable	-	-	-	-	-
	-	-	(179,787)	-	(179,787)

Note: Figures in bracket relates to the previous year

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2017

2.32 Contingent Liabilities and Commitments

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts *		
in respect of demand pertaining to taxes	9,322,087	2,549,475
Total	9,322,087	2,549,475

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

2.33 Disclosure on Specified Bank Notes

During the year the company had specified bank notes (SBNs) or other denomination notes as defined in the MCA Notification, G.S.R. 308 (E) dated March 31, 2017. The details of SBNs held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows:

Particulars	Amount in Rs.		
	SBN's	Other denomination Notes	Total
Closing balance as on Nov 08, 16	21,000	12,260,405	12,281,405
Add: Withdrawal from banks accounts	-	490,000	490,000
Add: Receipts for permitted transactions	-	162,355	162,355
Add: Receipts for non permitted transactions	-	-	-
Less: Paid for permitted transactions	-	7,905,884	7,905,884
Less: Paid for non permitted transactions	-	-	-
Less: Deposited in Bank Accounts	21,000	-	21,000
Closing balance as on Dec 30, 16	-	5,006,876	5,006,876

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Notes forming part of the standalone financial statements for the year ended March 31, 2017

2.34 Corporate Social Responsibility

The applicability of Concept of Corporate Social Responsibility on the company commenced from the Financial Year 2016-17 as the turnover of the company crossed INR 1000 Crs in the Financial Year 2015-16. Accordingly, Board of Directors constituted Corporate Social Responsibility Committee. Further, company had incorporated a wholly owned subsidiary RCI Skills & Social Development Private Limited towards CSR and Corporate Social Responsibility Committee had given their recommendation to incur the CSR Expenses through the said subsidiary and identified the area of vocation skills especially among children as specified the Schedule VII of the Companies Act, 2013. However, during the Financial Year 2016-17 the subsidiary company has applied various governments tender related to said vocational skills but all the tenders got rejected on technical grounds. Hence, requisite amount of CSR expenditure could not be spent. However company has committed to spend the consolidated amount of CSR for both current and previous financial year during the financial year 2017-18 in order to comply the Companies Act, 2013 in true spirit.

The gross amount required to be spent during the financial year 2016-17 was Rs. 20.74 Lakhs

2.35 Other notes

- i) Previous year figures are regrouped and reclassified wherever necessary to conform to current year's presentation.
- ii) There were no dues outstanding to Small, Medium and Micro Undertakings to the extent that such parties have been identified from available information by the management
- iii) The Company has entered into operating lease agreements for certain offices premises, works and warehouses. The lease are for a period of 1-9 years and may be renewed for a further period, based on mutual agreement of the parties.

The lease agreements provide for an increase in the lease payments by 10-15% every one or two years. .

Lease payments of Rs. 16,69,678 (LY 19,05,311) have been recognised in the statement of Profit & Loss with respect to above mentioned operating lease agreements

- iv) Some of the balances of receivables and payables remains unconfirmed till balance sheet date.
- v) In the opinion of the management, current assets, loans and advances have a value not less than what is stated in the accounts if realised in the ordinary course of business.

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

For & on behalf of Board of Directors

(Rahul Jain)
Partner
Membership No. 518352
Place: Delhi
Date: May 30th, 2017

(Rajeev Gupta)
Managing
Director
DIN- 00503196

(Inder Prakash Saboo)
Chief Financial Officer

(Mamta Gupta)
Director
DIN- 00503302

(Abhishek Kedia)
Company Secretary
M No. A33537

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
RCI INDUSTRIES & TECHNOLOGIES LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **RCI INDUSTRIES AND TECHNOLOGIES LIMITED** ("the company") and its wholly owned subsidiaries (collectively referred to as "Group") which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditor on the financial statements of the foreign subsidiary (RCI World Trade Link DMCC), the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the consolidated balance sheet, of the consolidated state of affairs of the Group as at 31 March 2017;
 - ii. in the case of the consolidated statement of profit and loss, of the consolidated profit for the year ended on that date; and
 - iii. in the case of the consolidated cash flow statement, of the consolidated cash flows for the year ended on that date.

Other Matters

7. We did not audit the financial statements of foreign subsidiary (RCI World Trade Link DMCC) whose financial statement reflect total assets of Rs. 8691.01 lakhs as at March 31, 2017, total revenue of Rs. 35,018.38 Lakhs for the year then ended on that date. These financial statements have been audited by other auditor whose reports have been furnished to us and our opinion is based solely on the reports of other auditor.

Our report is not qualified in respect of other matters.

Report on Other Legal and Regulatory Requirements

8. As required by the section 143(3) of the Act, we report, to the extent applicable, that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - ii. In our opinion proper books of account as required by law relating to preparation of consolidated financial statements have been kept so far as it appears from our examination of those books;

- iii. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- iv. In our opinion, the aforesaid consolidated financial statement comply with the Accounting standards specified under Section 133 of the Act, Rule 7 of the Companies (Accounts) Rules, 2014;
- v. On the basis of written representations received from the directors of the Company as on 31 March 2017, and taken on record by the Board of Directors of the company, we report that none of the directors of company and its subsidiary incorporated in India is disqualified as on 31 March 2017, from being appointed as a director in terms of Section 164(2) of the Act;
- vi. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- vii. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Accounts) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - a. The company does not have any pending litigations which would impact its financial position materially.
 - b. The company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - d. The company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts made by the company. Refer to note 2.29 to the standalone financial statements.

For RPMD & Associates
Chartered Accountants

ICAI Firm's registration number: 005961C

(Rahul Jain)

Partner

Membership number: 518352

Place: Delhi

Date: May 30th 2017

“Annexure A” to Independent Auditor’s Report

As referred to in para 8(vi) of our report of even date to the members of RCI Industries & Technologies Ltd on the consolidated accounts of the Company for the year ended 31st March, 2017.

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

1. We have audited the internal financial controls over consolidated financial reporting of RCI Industries & Technologies Limited (“the Company”) and its wholly owned subsidiary incorporated in India – RCI Skills & Social Development Private Limited (collectively referred to as “Group”) as of March 31, 2017 in conjunction with our audit of the consolidated financial statements of the group for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

“Annexure A” to Independent Auditor’s Report

As referred to in para 8(vi) of our report of even date to the members of RCI Industries & Technologies Ltd on the consolidated accounts of the Company for the year ended 31st March, 2017.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.
5. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

“Annexure A” to Independent Auditor’s Report

As referred to in para 8(vi) of our report of even date to the members of RCI Industries & Technologies Ltd on the consolidated accounts of the Company for the year ended 31st March, 2017.

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the holding company, its subsidiary company incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RPMD & Associates

Chartered Accountants

ICAI Firm’s registration number: 005961C

(Rahul Jain)

Partner

Membership number: 518352

Place: Delhi

Date: May 30th 2017

RCI INDUSTRIES & TECHNOLOGIES LTD
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	Note	As at 31 March 2017	As at 31 March 2016
		Rs.	Rs.
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
Capital Account	2.1	134,364,150	108,994,150
Reserves and surplus	2.2	1,340,049,583	516,759,091
Non-Current Liabilities			
Long-term borrowings	2.3	-	259,854,658
Other long term liabilities	2.4	303,519,247	449,110,832
Deferred tax liabilities (net)	2.5	5,836,310	-
Long term provisions	2.6	4,195,009	963,581
Current liabilities			
Short-term borrowings	2.7	1,210,154,235	760,579,505
Trade payables	2.8	1,483,520,810	1,470,144,149
Other current liabilities	2.9	237,965,758	199,652,183
Short term provisions	2.10	28,843,317	17,529,097
		4,748,448,419	3,783,587,245
<u>ASSETS</u>			
Non current assets			
Fixed assets			
- Tangible assets	2.11	238,794,089	42,504,587
- Intangible assets		-	-
- Capital Work in Progress		160,790,241	5,211,015
Non Current investments	2.12	-	364,487,088
Deferred tax assets (net)	2.5	-	280,674
Long term loans and advances	2.13	91,223,139	14,294,836
Current assets			
Current Investments		500,000	-
Inventories	2.14	720,226,059	741,482,322
Trade receivables	2.15	2,626,232,911	2,254,597,433
Cash and cash equivalents	2.16	524,500,361	75,432,736
Short term loan and advances	2.17	379,459,699	272,421,476
Other current assets	2.18	6,721,921	12,875,077
		4,748,448,419	3,783,587,245

Significant Accounting Policies

1

Notes on Financial Statements

2

As per our report of even date

For & on behalf of Board of Directors

For RPMD & Associates

Chartered Accountants

Firm's registration no. 005961C

(Rajeev Gupta)

Managing

Director

DIN- 00503196

(Mamta Gupta)

Director

DIN- 00503302

(Rahul Jain)

Partner

Membership No. 518352

Place: Delhi

Date: May 30th, 2017

(Inder Prakash Saboo)

Chief Financial Officer

(Abhishek Kedia)

Company Secretary

M No. A33537

RCI INDUSTRIES & TECHNOLOGIES LTD
 CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	Note	For the year ended 31 March, 2017	For the year ended 31 March, 2016
		Rs.	Rs.
Revenue			
Revenue from operations	2.19	17,348,301,452	12,701,929,678
Other income	2.20	22,799,435	8,855,742
Total Revenue		17,371,100,887	12,710,785,420
Expenses			
Cost of materials consumed	2.21	7,729,312,403	5,828,599,419
Purchases of stock-in trade		8,871,839,198	6,257,693,415
Change in inventory of finished goods/ WIP/ Stock in trade	2.22	(30,865,308)	114,217,497
Employee benefits expense	2.23	55,984,421	11,641,541
Finance costs	2.24	128,654,054	121,890,614
Depreciation and amortization expense	2.11	24,125,771	7,769,131
Other Expenses	2.25	198,763,362	202,500,199
Total expenses		16,977,813,899	12,544,311,816
Exceptional items		-	-
Profit/(Loss) before extraordinary items and tax		393,286,988	166,473,604
Less: Tax expense			
Current tax		28,843,317	17,529,097
Deferred Tax	2.4	6,116,984	(323,203)
Minimum alternate tax		(21,147)	-
Profit/(Loss) for the period		358,347,834	149,267,710
Earning per equity share			
Basic/Diluted	2.26	26.67	13.70

Significant Accounting Policies

1

Notes on Financial Statements

2

As per our report of even date

For & on behalf of Board of Directors

For RPMD & Associates

Chartered Accountants

Firm's registration no. 005961C

(Rajeev Gupta)
 Managing
 Director
 DIN- 00503196

(Mamta Gupta)
 Director
 DIN- 00503302

(Rahul Jain)

Partner

M No. 518352

Place: Delhi

Date: May 30th, 2017

(Inder Prakash Saboo)
 Chief Financial Officer

(Abhishek Kedia)
 Company Secretary
 M No. A33537

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Consolidated Cash Flow Statement for the year ended 31st March, 2017

Particulars	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
A. Cash flow from Operating activities		
Profit/ (Loss) before tax	393,286,988	166,473,604
<i>Adjustments for:</i>		
Depreciation	24,125,771	7,769,131
Interest Expense	128,654,054	121,890,614
Interest income	(21,665,877)	(8,312,870)
Adj to profit & loss account	(1,512,498)	(5,473,704)
(Profit)/ Loss on Sale of Fixed Assets	-	(35,549)
Operating profit before working capital changes	522,888,439	282,311,227
<i>Movements in working capital :</i>		
(Increase)/ Decrease in Inventories	21,256,263	(132,784,320)
(Increase)/Decrease in Trade Receivables	(371,635,478)	(600,532,282)
(Increase)/Decrease in Other Receivables	(183,966,525)	72,821,554
Increase/(Decrease) in Trade Payables and Other Liabilities	(79,355,701)	407,236,722
(Increase)/Decrease in Other assets	6,153,157	(3,844,096)
<i>Cash generated from operations</i>	(84,659,846)	25,208,804
Income tax Refund/ (paid) during the year	(28,966,438)	(17,205,894)
Insurance-claim received	-	-
Net cash from operating activities (A)	(113,626,284)	8,002,910
B. Cash flow from Investing activities		
Purchase of Fixed assets (including capital advances)	(374,850,074)	(25,341,858)
(Purchase)/Sale Of Long Term Investment	364,487,088	(364,487,088)
(Purchase)/Sale Of Current Investment	(500,000)	-
Sale of Fixed Assets	-	82,000
Interest Income	21,665,877	8,312,870
Dividend Received	-	-
Net cash from investing activities (B)	10,802,890	(381,434,076)
C. Cash flow from Financing activities		
Proceeds from issue of share capital/ application money	490,825,000	-
Increase / (Decrease) in borrowings	189,720,072	509,334,396
Interest paid on borrowings	(128,654,054)	(121,890,614)
Dividend Paid	-	-
Net cash from financing activities (C)	551,891,018	387,443,782
Net increase in cash and cash equivalents (A+B+C)	449,067,624	14,012,617
Cash and cash equivalents at the beginning of the year	75,432,736	61,420,120
Cash and cash equivalents at the end of the year	524,500,361	75,432,736

As per our report of even date.

For & on behalf of Board of Directors

For RPMD & Associates

Chartered Accountants

Firm's registration no. 005961C

(Rahul Jain)

Partner

Membership No. 518352

Place: Delhi

Date: May 30th, 2017

(Rajeev Gupta)
Managing
Director
DIN- 00503196**(Inder Prakash Saboo)**
Chief Financial Officer**(Mamta Gupta)**
Director
DIN- 00503302**(Abhishek Kedia)**
Company Secretary
M No. A33537

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS

A. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of Companies Act, 2013

B. Principles of Consolidation

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

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

C. Other Significant Accounting Policies

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

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

2.1 SHARE CAPITAL

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Authorised 150,00,000 shares of Rs.10 each (PY 150,00,000 shares of Rs. 10 each)	150,000,000	150,000,000
	150,000,000	150,000,000
Issued, Subscribed & fully paid up 134,36,415 shares of Rs.10 each (PY 108,99,415 shares of Rs.10 each)	134,364,150	108,994,150
	134,364,150	108,994,150

2.1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31 March 2017	
	Number	(Rs.)
At the beginning of the year	10,899,415	108,994,150
Issued during the year for consideration in cash	2,537,000	25,370,000
Outstanding at the end of the year	13,436,415	134,364,150

Equity shares

	31 March 2016	
	Number	(Rs.)
At the beginning of the year	10,899,415	108,994,150
Issued during the year for consideration in cash	-	-
Outstanding at the end of the year	10,899,415	108,994,150

2.1.2 The Company has allotted, on preferential basis, 8,00,000 Equity Shares having face value of Rs.10/- each at Rs. 125 Per share including share premium of Rs. 115 per Share in board meeting held on October 6, 2016. The Company has further allotted, on preferential basis, 17,37,000 Equity Shares having face value of Rs.10/- each at Rs. 225 Per share including share premium of Rs. 215 per Share in board meeting held on February 17, 2017.

b. Terms/ rights attached to equity shares

1. The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.
2. The company has not declared or paid any dividend to the shareholder at any time since inception of the company.
3. The company is listed on Bombay Stock Exchange.

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

Name of Shareholders	As at 31 March 2017	As at 31 March 2016
	No. of Shares held (%)	No. of Shares held (%)
Rajeev Gupta	4764720 (35.46)	4364720 (40.05)
Ace Matrix Solutions Ltd.	1751900 (13.04)	1751900 (16.07)
Metalrod Pvt Ltd.	812500 (6.05)	812500 (7.45)
Kamlesh Shantilalji Jain	-	606000 (5.56)
Ace Trade Solutions Pvt Ltd	595750 (4.43)	595750 (5.47)

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

2.2 RESERVE AND SURPLUS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Securities Premium Account		
Opening Balance	218,786,395	218,786,395
Add: Amount received towards issues of shares during the year	465,455,000	-
Closing Balance	684,241,395	218,786,395
Surplus balance in the statement of profit and loss		
Opening Balance	297,972,695	154,178,688
Add: Profit/(Loss) for the year	358,347,834	149,267,710
Add: Subsidiary adjustments	(1,512,498)	2,622,695
Less: Excess Provision of Income Tax/ Income W/Off and TDS		
Receivable of Previous years	(144,268)	(8,108,305)
Add/ Less: Dep W/off pursuant to change in useful life	1,144,424	11,907
Closing Balance	655,806,188	297,972,695
	1,340,049,583	516,759,090

2.3 LONG TERM BORROWINGS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
UNSECURED		
Intercorporate Deposits	-	259,854,658
	-	259,854,658

2.4 OTHER LONG TERM LIABILITIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
UNSECURED		
Other Long term liabilities	476,396	-
Payable on purchase of fixed assets	3,042,851	610,832
Security Deposit from Buyers	-	148,500,000
Advances received towards joint venture in skill and development project	300,000,000	300,000,000
	303,519,247	449,110,832

2.5 DEFERRED TAX LIABILITIES

Particulars	As at	During the year	As at
	1 April' 2016		31 March, 2017
DTL/ DTA			
Depreciation	(246,553)	6,082,863	5,836,310
DTA			
on account of Losses	(34,121)	34,121	-
Net DTL/ DTA	(280,674)	6,116,984	5,836,310

2.6 LONG TERM PROVISIONS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Provision for Employee Benefits		
Gratuity	4,195,009	963,581
	4,195,009	963,581

a) Gratuity
 Change in present value of obligation

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Present value of obligation as at the beginning of the year	963,581	695,932
Obligation of Taken over unit	2,199,664	-
Interest cost	246,733	54,283
Current service cost	1,247,176	339,450
Benefits paid	(521,658)	-
Actuarial (gain)/loss on obligation	51,946	(126,084)
Present value of obligation as at the end of year	4,187,442	963,581

Actuarial gain / loss recognized

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Actuarial gain/(loss) for the year -obligation	(51,946)	126,084
Actuarial (gain)/loss for the year plan assets	-	-
Total (gain)/loss for the year	51,946	(126,084)
Actuarial (gain) / loss recognized in the year	51,946	(126,084)
Unrecognized actuarial (gains) losses at the end of year	-	-

The amounts to be recognized in balance sheet and related analysis

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Present value of obligation as at the end of the year	4,187,442	963,581
Fair value of plan assets as at the end of the year	-	-
Funded status / Difference	(4,187,442)	(963,581)
Net asset/(liability) recognized in balance sheet	(4,187,442)	(963,581)

RCT INDUSTRIES & TECHNOLOGIES LTD
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Expense recognized in the statement of profit and loss:

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Current service cost	1,247,176	339,450
Interest cost	246,733	54,283
Expected return on plan assets	-	-
Net actuarial (gain)/ loss recognized in the year	51,946	(126,084)
Expenses recognized in the statement of profit and losses	1,545,855	267,649

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

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Discount rate	7.50%	7.80%
Future salary increase rate	8.00%	10.00%
Retirement age (years)	60	60

2.7 SHORT TERM BORROWINGS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Secured		
Working Capital Loans		
Rupee Loans from Banks/ Financial Institutions:		
-Oriental Bank of Commerce	99,316,011	77,993,422
-Jammu & Kashmir Bank	49,175,538	9,988,604
-Union Bank of India	274,734,552	321,397,707
-Indian Bank	67,678,783	-
Foreign Currency Loans		
- Buyers Credit from Union Bank of India	117,629,992	-
- Buyers Credit from Oriental Bank of Commerce	-	110,259,722
- Buyers Credit from Indian Bank	78,475,904	-
Bank Guarantee Discounting Facility from Axis Bank	-	139,964,784
Packing Credit Loan from Shinhan Bank	422,939,028	-
Unsecured		
Channel Finance Facility from Axis Bank	100,204,427	100,795,479
Loans and advances from related parties	-	179,787
	1,210,154,235	760,579,505

2.7.1 Secured loans from banks/ financial institutions

- Rupee Loans, Buyers Credit are secured by hypothecation of present and future inventories, outstandings and receivables
- Packing Credit Loan is secured against term deposits

2.8 TRADE PAYABLES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Trade Payables		
-Acceptances against Letter of Credit issued by Banks	126,884,251	-
-Other than Acceptances	1,356,636,559	1,470,144,149
	1,483,520,810	1,470,144,149

2.9 OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Advances from Customers	147,390,835	64,235,827
CST Security against C Form	11,076,051	11,076,051
Current maturities of long term debt	-	271,416
Expenses Payables	70,305,173	112,056,674
Statutory Liabilities	9,193,698	12,012,215
	237,965,758	199,652,183

2.10 SHORT-TERM PROVISIONS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Provision for Income Tax	28,843,317	17,529,097
	28,843,317	17,529,097

2.12 NON CURRENT INVESTMENTS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Other non-current Investments		
Investment in Equity Shares of HillView Marketing Pvt Ltd	-	364,487,088
	-	364,487,088

Note 2.11

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

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS ON 01.04.2016	ADDITIONS	DELETIONS /ADJ.	AS ON 31.03.2017	AS ON 01.04.2016	DURING THE YEAR	DELETIONS /ADJ.	AS ON 31.03.2017	AS ON 31.03.2016
LAND	1	47,020,817	-	47,020,818	-	-	-	47,020,817	1
PREMISES	-	29,013,795	-	29,013,795	-	-	-	29,013,795	-
LEASE HOLD EQUIPMENTS	186,545	-	-	186,545	127,936	12,030	-	46,579	58,609
CONTAINER	405,000	-	-	405,000	163,252	32,815	-	208,933	241,748
PLANT & MACHINERY	33,496,362	105,593,109	-	139,089,471	17,414,188	15,285,675	(1,263,143)	31,436,720	16,082,174
BUILDING	29,086,622	14,880,747	-	43,967,369	14,904,101	2,762,928	(22,331)	17,644,698	14,182,521
MOTOR VEHICLES	22,889,324	9,480,907	-	32,370,231	12,972,671	4,401,772	-	14,995,789	9,916,853
FURNITURE	612,608	205,250	-	817,858	511,155	75,083	4,103	226,917	101,453
ELECTRONIC INSTALLATION	1,332,265	9,198,077	-	10,530,342	927,951	524,263	-	9,078,128	404,314
WEIGHING MACHINE	136,868	93,100	-	229,968	64,256	29,362	-	136,350	72,612
OFFICE EQUIPMENTS	3,621,723	2,197,500	-	5,819,223	2,334,368	733,411	156,209	2,595,235	1,287,355
COMPUTERS & PRINTERS	1,146,017	1,587,548	-	2,733,565	988,870	267,832	(19,263)	1,496,125	157,147
CAPITAL WORK IN PROGRESS	5,211,015	155,579,226	-	160,790,241	-	-	-	160,790,241	5,211,015
CURRENT YEAR -TOTAL	98,124,350	374,850,077	-	472,974,427	50,408,748	24,125,771	(1,144,424)	73,390,094	47,715,602
PREVIOUS YEAR -TOTAL	74,555,218	24,124,903	555,771	98,124,350	43,160,844	7,769,131	(521,227)	50,408,748	31,394,374

RCI INDUSTRIES & TECHNOLOGIES LTD
 NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

2.13 LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Unsecured, considered good		
Capital Advances	27,578,969	-
Other loans and advances	54,469,073	6,685,325
Security Deposits	9,175,097	7,609,511
	91,223,139	14,294,836

2.14: INVENTORIES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Raw Material	279,749,226	331,870,797
Work In Progress	17,722,345	-
Finished Goods	34,672,418	52,628,697
Stock in trade	388,082,069	353,714,285
Stock on Consignment	-	3,268,542
	720,226,059	741,482,322

2.15: TRADE RECEIVABLES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Unsecured, considered good		
Debts outstanding for period for less than six months	2,584,523,306	2,207,767,389
Debts outstanding for period for more than six months	41,709,605	46,830,044
	2,626,232,911	2,254,597,433

2.16: CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Cash on hand	4,764,714	2,945,150
Balance with Banks in Current A/c	233,222	18,452,427
Balance with Banks in FDRs with original maturity of less than 12 months		
Margin Money in the form of Deposits	519,502,425	54,035,160
	524,500,361	75,432,736

2.17: SHORT TERM LOAN AND ADVANCES

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Advances to Suppliers	114,969,935	9,268,678
Balance with Government Authorities	237,936,245	247,210,915
Loans and advances to related parties	-	6,000,000
Other Loan and Advances	19,092,915	-
Prepaid Expenses	4,047,189	3,823,037
Security Deposits	3,413,416	6,118,845
	379,459,699	272,421,476

2.18: OTHER CURRENT ASSETS

Particulars	As at 31 March 2017	As at 31 March 2016
	Rs.	Rs.
Interest Accrued on Deposits	54,772	5,674,502
Rent Receivable	-	75,000
Insurance Claims	6,681,740	6,681,740
Other misc current assets	(14,591)	443,836
	6,721,921	12,875,077

2.19: REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Sale of Products		
Domestic Sales	15,318,011,582	8,454,164,761
Export Sales	1,895,374,103	4,151,374,183
Sale of Services	26,422,104	-
Other Operating Revenues	108,493,664	96,390,735
	17,348,301,452	12,701,929,678

2.19.1: Other operating revenues comprises

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Other Operating Income	67,712,576	59,585,244
Export Incentives	40,781,088	36,805,491
	108,493,664	96,390,735

2.20: OTHER INCOME

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Comission received	526,443	-
Discount received	98,845	48,882
Interest income	21,665,877	8,312,870
Miscellaneous income	508,271	493,990
	22,799,435	8,855,742

Interest Income Comprises:

Interests on loans and advances	5,915,143	1,434,913
	5,915,143	1,434,913

2.21: COST OF MATERIAL CONSUMED

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Opening stock	331,870,797	84,868,980
Add: Purchases	7,677,190,832	6,075,601,236
Less: Closing Stock	279,749,226	331,870,797
Cost of Material Consumed	7,729,312,403	5,828,599,419

2.22: CHANGE IN INVENTORY OF FINISHED GOODS/ WIP/ STOCK IN TRADE

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Inventories at the end of the year		
Work in progress	17,722,345	-
Finished Goods	34,672,418	52,628,697
Stock-in-trade	388,082,069	353,714,285
Stock on Consignment	-	3,268,542
	440,476,833	409,611,525
Inventories at the beginning of the year		
Work in progress	-	-
Finished Goods	52,628,697	23,630,898
Stock-in-trade	353,714,285	477,605,456
Stock on Consignment	3,268,542	22,592,667
	409,611,525	523,829,021
	(30,865,308)	114,217,497

RCI INDUSTRIES & TECHNOLOGIES LTD
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

2.23: EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Contribution to provident and other funds	2,354,516	286,816
Salary and Wages	47,016,112	9,146,165
Staff Welfare Expenses	3,167,973	740,911
Director's remuneration	1,200,000	1,200,000
Provision for Gratuity	1,545,855	267,649
Contribution to ESIC/ Insurance Linked Expenses	699,965	-
	55,984,421	11,641,541

2.24: FINANCE COST

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Interest Expense on borrowings	83,310,152	87,725,561
Interest Expense on others	97,583	98,473
Interest expense on Trade Payables	29,568,340	19,486,736
Net (Profit)/ Loss on foreign currency transactions and translations	(3,735,805)	1,270,800
Other borrowing costs	19,413,784	13,309,043
	128,654,054	121,890,614

2.25: OTHER EXPENSES

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Audit Fees	567,000	304,543
Business Promotion Expenses	336,697	1,651,617
Clearing & Forwarding Charges	3,842,533	13,291,998
Commission on Sales	51,212,872	82,082,487
Consumable Expenses	199,550	518,555
Conveyance & Travelling Expenses	4,417,362	946,607
Donation & Charity	4,093,164	22,000
Freight & Cartage	34,560,802	34,540,960
General Expenses	4,690,058	1,611,386
Insurances	3,451,322	1,900,318
Legal and Professional Charges	7,160,665	7,528,858
Manufacturing Cum Consultancy Charges for Artwares	-	30,941,915
Net Profit/ loss on foreign currency transaction and translation	28,816,292	224,742
Office Maintenance Expenses	243,353	466,562
Other government charges and taxes	309,321	76,342
Packing Charges	1,898,232	-
Pollution Expenses	30,700	-
Power & Fuel	18,766,117	3,157,184
Printing & Stationary Expenses	604,085	598,264
Rebate, Claims and Discount Expenses	787,800	90,057
Rent, rate and Taxes	3,253,253	2,500,147
Repair & Maintenance	1,976,417	724,493
Shipment Expenses	12,104,802	17,963,363
Telephone & Postage Expenses	953,029	660,193
Vehicle Running & maintenance expenses	1,347,336	897,609
Loss/Expenses Related to hedging/derivatives contracts	12,535,276	-
Prior Period Expenses	605,326	-
	198,763,362	202,500,199

2.26 EARNINGS PER SHARE

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Rs.	Rs.
Net Profit for the Year	358,347,834	149,267,710
Weighted average number of equity shares	11,455,181	10,899,415
Nominal value of shares (In Rs)	10	10
Basic/ Diluted Earning Per Share	31.28	13.70

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Notes forming part of the consolidated financial statements for the year ended March 31, 2017

2.27 Related party transactions

Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Rajiv Gupta
Relatives of KMP (Relation with KMP)	Mrs. Mamta Gupta(Wife), Mr. Pradeep Gupta(Brother)
Enterprises in which KMP / Relatives of KMP can exercise significant influence	Mamta Global Pvt Ltd, All Heavens Restaurant Pvt Ltd

Note: Reliance for list of related parties, nature of relationship and transactions during the year & balances as on 31st March 2017 is placed on the details provided by the management.

Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017:

	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Purchase of goods	-	-	-	-
Receiving of services	1,200,000 (1,200,000)	-	120,000 (120,000)	1,320,000 (1,320,000)
Advance received back	-	-	1,975,000	1,975,000

Balances outstanding at the end of the year

Trade payables/ Expenses Payables	-	-	-	-
Loans and advances Receivable	-	2,000,000	2,025,000	4,025,000
Loans and advances Payable	-	(2,000,000)	(4,000,000)	(6,000,000)
	-	(179,787)	-	(179,787)

Note: Figures in bracket relates to the previous year.

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Notes forming part of the consolidated financial statements for the year ended March 31, 2017

2.28 Contingent Liabilities and Commitments

Particulars	As at	As at
	31 March 2017	31 March 2016
	Rs.	Rs.
Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts *		
in respect of demand pertaining to taxes	9,322,087	2,549,475
Total	9,322,087	2,549,475

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

2.29 Disclosure on Specified Bank Notes

During the year the company had specified bank notes (SBNs) or other denomination notes as defined in the MCA Notification, G.S.R. 308 (E) dated March 31, 2017. The details of SBNs held and transacted during the period from November 08, 2016 to December 30, 2016 are as follows:

Particulars	Amount in Rs.		
	SBN's	Other denomination Notes	Total
Closing balance as on Nov 08, 16	21,000	12,333,017	12,354,017
Add: Withdrawal from banks accounts	-	490,000	490,000
Add: Receipts for permitted transactions	-	162,355	162,355
Add: Receipts for non permitted transactions	-	-	-
Less: Paid for permitted transactions	-	7,905,884	7,905,884
Less: Paid for non permitted transactions	-	-	-
Less: Deposited in Bank Accounts	21,000	-	21,000
Closing balance as on Dec 30, 16	-	5,079,488	5,079,488

Note 2.29.1: The above details doesnot include the cash balance of wholly subsidiary in UAE

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Notes forming part of the consolidated financial statements for the year ended March 31, 2017

2.30 Corporate Social Responsibility

The applicability of Concept of Corporate Social Responsibility on the company commenced from the Financial Year 2016-17 as the turnover of the company crossed INR 1000 Crs in the Financial Year 2015-16. Accordingly, Board of Directors constituted Corporate Social Responsibility Committee. Further, company had incorporated a wholly owned subsidiary RCI Skills & Social Development Private Limited towards CSR and Corporate Social Responsibility Committee had given their recommendation to incur the CSR Expenses through the said subsidiary and identified the area of vocation skills especially among children as specified the Schedule VII of the Companies Act, 2013. However, during the Financial Year 2016-17 the subsidiary company has applied various governments tender related to said vocational skills but all the tenders got rejected on technical grounds. Hence, requisite amount of CSR expenditure could not be spent. However company has committed to spend the consolidated amount of CSR for both current and previous financial year during the financial year 2017-18 in order to comply the Companies Act, 2013 in true spirit.

The gross amount required to be spent during the current year is Rs. 20.74 Lakhs

2.31 Other notes

- i) Previous year figures are regrouped and reclassified wherever necessary to conform to current year's presentation.
- ii) There were no dues outstanding to Small, Medium and Micro Undertakings to the extent that such parties have been identified from available information by the management
- iii) The Company has entered into operating lease agreements for certain offices premises, works and warehouses. The lease are for a period of 1-9 years and may be renewed for a further period, based on mutual agreement of the parties.

The lease agreements provide for an increase in the lease payments by 10-15% every one or two years. .

Lease payments of Rs. 16,69,678 (LY 19,05,311) have been recognised in the statement of Profit & Loss with respect to above mentioned operating lease agreements

- iv) Some of the balances of receivables and payables remains unconfirmed till balance sheet date.
- v) In the opinion of the management, current assets, loans and advances have a value not less than what is stated in the accounts if realised in the ordinary course of business.

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

For & on behalf of Board of Directors

(Rahul Jain)
Partner
Membership No: 518352
Place: Delhi
Date: May 30th, 2017

(Rajeev Gupta)
Managing
Director
DIN- 00503196

(Mamta Gupta)
Director
DIN- 00503302

(Inder Prakash Saboo)
Chief Financial Officer

(Abhishek Kedia)
Company Secretary

FORM AOC-1

(Pursuant to first proviso to sub-Section (3) of Section 129 read with
Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries or Associate
Companies or Joint Ventures as on March 31, 2017**

Part "A": Subsidiaries

Name of Subsidiary	RCI Skills and Social Development Private Limited	RCI World Trade Link DMCC
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
Reporting currency and Exchange rate as on March 31, 2017, in case of Foreign Subsidiaries	INR	United Arab Emirates Dirham (AED) 1AED = 17.75 INR
Share capital	100,000	44375000
Reserves & surplus	(4,860)	445784613
Total assets	304,143,101	869101102
Total Liabilities	304,143,101	869101102
Investments	0	
Turnover	6,486,400	3501865029
Profit before taxation	105,735	287559446
Provision for taxation	34,121	0
Profit after taxation	71,614	287559446
Proposed Dividend	NIL	NIL
% of shareholding	100%	100%

Notes:

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

Part "B": Associates and Joint Ventures

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

Name of Associates	Ace Matrix Solutions Limited	Metalrod Private Limited
Latest Audited Balance Sheet Date	31-Mar-2016	31-Mar-2016
Shares of Associate/Joint Ventures held by the company on the year end		
• No.	30110	316380
• Amount of Investment in Associates	6016304	3994528
• Extend of Holding %	22%	34.27%
Description of how there is significant influence	Due to the percentage of Share Capital	

Reason why the associate is not consolidated	Investment in shares of associates was made as stock in trade and the intention of such investment was to dispose of the same in near future. Accordingly AS-21 exempts the consolidation of such associates.	
Net worth attributable to Shareholding as per latest audited Balance Sheet	6133126	69884623
Profit / Loss for the year		
i. Considered in Consolidation	NA	NA
ii. Not Considered in Consolidation	NA	NA

Notes:

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

For & on behalf of Board of Directors

For **RPMD & Associates**

Chartered Accountants

Firm Registration No. 005961C

sd/-

Rahul Jain

Partner

M. No. 518352

Delhi

sd/-

Rajeev Gupta

Managing Director

DIN: 00503196

sd/-

Mamta Gupta

Director

DIN: 00503302

sd/-

I.P. Saboo

Chief Financial Officer

sd/-

Abhishek Kedia

Company Secretary

M. No. A33537

RCI INDUSTRIES & TECHNOLOGIES LIMITED

Registered Office: B-97, All Heavens Building, Wazirpur Ring Road, Delhi - 110052
Email: abhishek@rciind.com, Website: www.rciind.com
Phone: 011-27372194, Fax: 011-27371334
CIN : L74900DL1992PLC047055

PROXY FORM

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

CIN: L74900DL1992PLC047055
Name of the Company: RCI INDUSTRIES & TECHNOLOGIES LIMITED
Registered Office: B-97, All Heavens Building, Wazirpur Ring Road, Delhi – 110052

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No. / Client ID No.*	
DP ID No.*	

*Applicable for Shareholders holding shares in Electronic Form

I/We, being the Member(s) of _____ shares of the RCI Industries & Technologies Limited, hereby appoint

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

as my/our proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Friday, the 29th day of September, 2017 at 09.30 A.M at B-97, All Heavens Building, Wazirpur Ring Road, Delhi - 110052 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	Type of Resolution
1.	Adoption of the Audited Financial Statements - on Standalone & Consolidated Basis, for the financial year ended March 31, 2017	Ordinary
2.	To appoint Director in place of Mrs. Mamta Gupta, who retires by rotation and being eligible, offers herself for re-appointment	Ordinary
3.	To ratify the appointment of Auditors of the Company, and to fix their remuneration	Ordinary
4.	To issue up to 6,67,000 Equity Shares to Mr. Rajeev Gupta, Promoter of the Company on Preferential Basis	Special

Signed this _____ day of _____, 2017

Signature of Member _____ Signature of Proxy Holder(s) _____

Affix 1 Rs.
Revenue
Stamp

Note:

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

RCI INDUSTRIES & TECHNOLOGIES LIMITED

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

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

Phone: 011-27372194, Fax: 011-27371334

CIN : L74900DL1992PLC047055

ATTENDANCE SLIP
26TH ANNUAL GENERAL MEETING

Venue of the Meeting : B-97, All Heavens Building, Wazirpur Ring Road, Delhi – 110052

Date and Time : Friday, September 29, 2017 at 09.30 AM

Name and Address of the Shareholder (In Block Letters)	
Name and Address of the Proxy (In Block Letters)	
Reg. Folio No.	
Client ID No.*	
DP ID No.*	
No .of Shares	

*Applicable for Shareholders holding shares in Electronic Form

I/We hereby record my/our presence at the 26th Annual General Meeting of the Company convened on Friday, the 29th day of September, 2017, at the Registered Office of the Company viz. B-97, All Heavens Building, Wazirpur Ring Road, Delhi – 110052.

Signature of the Shareholder/Proxy

Notes:

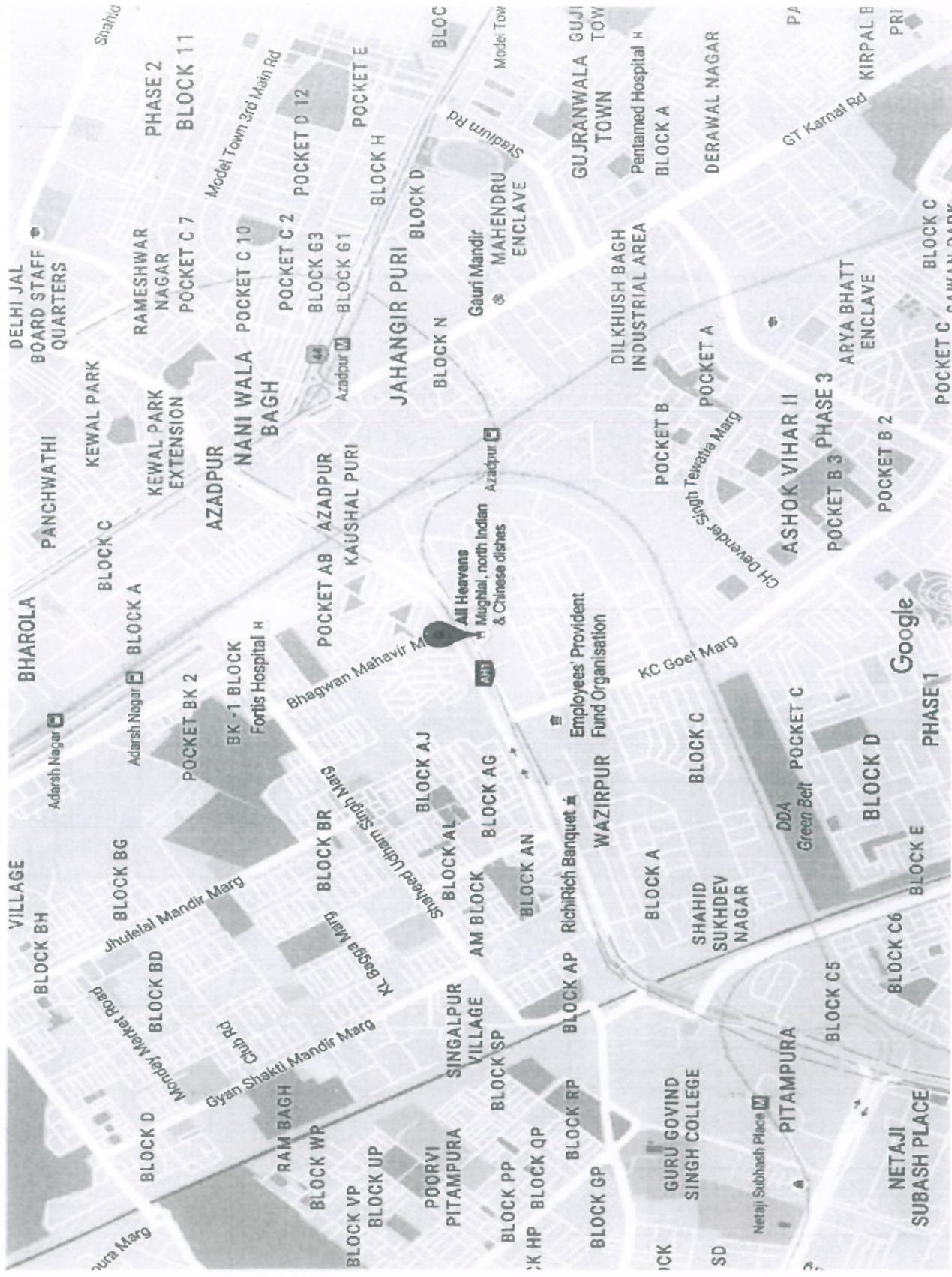
1. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
2. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.

E-VOTING PARTICULARS

EVEN (Remote e-voting Number)	USER ID	PASSWORD/PIN
107698		

Notes:

Please refer to the instructions printed under the Notes of the 26th Annual General Meeting. The e-voting period commences on Tuesday, September 26, 2017 (9.00 a.m.) and ends on Thursday, September 28, 2017 (5.00 p.m.). The e-voting module shall be disabled by NSDL for voting thereafter.



DELHI JAL BOARD STAFF QUARTERS

PHASE 2
BLOCK 11

RAMESHWAR NAGAR
POCKET C 7

POCKET D 12
POCKET C 2
BLOCK G3
BLOCK G1

POCKET E
BLOCK H
BLOCK D
BLOCK N

GUJRANWALA GUJI TOWN
Pentamed Hospital H
BLOCK A
DERAWAL NAGAR

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

PANCHWATHI
KEWAL PARK
BLOCK C
BLOCK A

AZADPUR
NANI WALA BAGH
POCKET C 10
POCKET C 2
BLOCK G3
BLOCK G1

JAHANGIR PURI
BLOCK N
Gauri Mandir
MAHENDRU ENCLAVE

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

BHAROLA
Adarsh Nagar
BLOCK C
BLOCK A

POCKET BK 2
BK -1 BLOCK
Fortis Hospital H
POCKET AB
AZADPUR
KAUSHAL PURI

JAHANGIR PURI
BLOCK N
Gauri Mandir
MAHENDRU ENCLAVE

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

VILLAGE
BLOCK BH
BLOCK BG
BLOCK BD
BLOCK D

POCKET BK 2
BK -1 BLOCK
Fortis Hospital H
POCKET AB
AZADPUR
KAUSHAL PURI

JAHANGIR PURI
BLOCK N
Gauri Mandir
MAHENDRU ENCLAVE

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

WAZIRPUR
BLOCK A
BLOCK C
BLOCK D
BLOCK E

POCKET BK 2
BK -1 BLOCK
Fortis Hospital H
POCKET AB
AZADPUR
KAUSHAL PURI

JAHANGIR PURI
BLOCK N
Gauri Mandir
MAHENDRU ENCLAVE

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

SHAHID SUKHDEV NAGAR
BLOCK A
BLOCK C
BLOCK D
BLOCK E

POCKET BK 2
BK -1 BLOCK
Fortis Hospital H
POCKET AB
AZADPUR
KAUSHAL PURI

JAHANGIR PURI
BLOCK N
Gauri Mandir
MAHENDRU ENCLAVE

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

PITAMPURA
BLOCK C5
BLOCK C6
BLOCK E

POCKET BK 2
BK -1 BLOCK
Fortis Hospital H
POCKET AB
AZADPUR
KAUSHAL PURI

JAHANGIR PURI
BLOCK N
Gauri Mandir
MAHENDRU ENCLAVE

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

NETAJI SUBHASH PLACE

POCKET BK 2
BK -1 BLOCK
Fortis Hospital H
POCKET AB
AZADPUR
KAUSHAL PURI

JAHANGIR PURI
BLOCK N
Gauri Mandir
MAHENDRU ENCLAVE

GUJRANWALA GUJI TOWN
DILKHUSH BAGH INDUSTRIAL AREA
POCKET A
POCKET B
POCKET C

ASHOK VIHAR II
PHASE 3
POCKET B 3
POCKET B 2
ARYA BHATT ENCLAVE
POCKET C

NETAJI SUBHASH PLACE

GURU GOVIND SINGH COLLEGE

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