



38TH ANNUAL REPORT 2011 – 2012



REMI PROCESS PLANT AND MACHINERY LTD.

Board of Directors	Shri Vishwambhar C. Saraf Shri Shri Rajendra C. Saraf Shri Ramkrishna Shriya Shri Mukul B. Desai Shri Rishabh R. Saraf	Chairman Managing Director
Bankers	STATE BANK OF INDIA	
Auditors	M/s. Shankarlal Jain & Associates, Chartered Accountants, 12, Engineering Building, 265, Princes Street, Mumbai- 400 002	
Registered Office	REMI House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063	
Works	(1) Survey No.18 1/2 & 27/2, Village - Shelavali, Manor Road, Taluka Palghar, Thane – 401 404	
	(2) Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra	

NOTICE

To
The Members,

REMI PROCESS PLANT AND MACHINERY LIMITED

NOTICE is hereby given that the 38th Annual General Meeting of the Company will be held at the Company's Registered Office, Remi House, Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai - 400 063, on **Saturday, the 29th September 2012**, at 12.00 Noon to transact the following business:

1. To adopt the audited Balance Sheet as at, and the Statement of Profit and Loss for the year ended, 31st March, 2012.
2. To declare a dividend.
3. To re-appoint as Director Shri Ramkrishna Shriya, who retires by rotation.
4. To re-appoint as Director Shri Vishwambhar C. Saraf, who retires by rotation.
5. To appoint Auditors and to fix their remuneration.
6. To pass the following special resolution:

“Resolved that the Company hereby authorises the payment of remuneration to its Directors, excluding its Managing Director, by way of commission, at one per cent of the net profits of the Company.

“Further Resolved that this arrangement will enure for five years form April, 2011.”

For **REMI PROCESS PLANT AND MACHINERY LTD.**

Registered Office:

REMI House, Plot No.11,
Cama Industrial Estate
Goregaon (E), Mumbai-400 063

Dated : 30th May, 2012.

Sd/-

**RAJENDRA C. SARAF
MANAGING DIRECTOR**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING WILL BE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, the 21st September, 2012**, to **Friday, the 28th September, 2012**, both days inclusive.

3. **Green initiative in Corporate Governance:**

The Ministry of Corporate Affairs vide its circular bearing No.17/2011 dated 21/04/2011 and 18/2011 dated 29/04/2011 has taken a “**Green Initiative in Corporate Governance**” by allowing paperless compliances by Companies through electronic mode. Companies can now send various notices/ documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders.

In this regard please register your email address and changes therein from time to time with the Company/ Registrar and Transfer Agent or with the concerned depositories.

4. The Explanatory statement relating to the item of special business at item No.6 is set out below:

Explanatory statement – Pursuant to Section 173 of the Companies Act, 1956 - Annexure to the notice.

It is proposed to renew the arrangement for payment of commission to its Directors, in terms of the provisions contained in Section 309(4) of the Companies Act, 1956. This special resolution achieves this purpose.

All the Directors are to be deemed to be interested in this item of business.

Your Directors commend this resolution for your approval.

DIRECTORS' REPORT

To
The Members,
REMI PROCESS PLANT AND MACHINERY LIMITED

Your Directors are pleased to present to you herewith the audited accounts of the Company for the year ended 31st March, 2012.

(₹ in Lacs)

Financial Results	2011-2012	2010-2011
Gross Turnover	<u>1794.96</u>	<u>1700.01</u>
Profit before Finance Cost, Depreciation and Tax (EBIDTA)	308.86	187.99
Less: Finance Cost	65.39	7.60
Depreciation	51.99	49.00
Taxation	64.24	42.68
Net Profit	<u>127.24</u>	<u>88.71</u>
Balance brought forward	<u>372.41</u>	<u>346.01</u>
Profit available for appropriations	<u>499.65</u>	<u>434.72</u>
<u>Appropriations</u>		
Transferred to General Revenue	50.00	50.00
Proposed Dividend	10.56	10.56
Tax on dividend	1.71	1.75
Balance carried to Balance Sheet	<u>437.38</u>	<u>372.41</u>
	<u>499.65</u>	<u>434.72</u>

DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 0.60 (6%) per equity share for the year ended 31st March 2012. The proposed dividend including dividend distribution tax will absorb ₹12.27 Lakhs.

WORKING:

The Company could not achieve any growth in revenue during the year in view of the overall slowdown in the economy and particularly in the capital goods industry, in which the Company operates. However, net profit during the year was higher at ₹127.24 Lacs compared to ₹88.71 Lacs during the previous year.

The Company is hopeful to improve its performance during current financial year in spite of slowdown in the economy and bad monsoon.

DIRECTORS:

As provided in Section 255 of the Companies Act, 1956, Shri Ramkrishna Shriya and Shri Vishwambhar C. Saraf retire by rotation and being eligible, offer themselves for re-election.

AUDITORS:

The retiring Auditors M/s. Shankarlal Jain & Associates, Chartered Accountants, are eligible for re-appointment and have expressed their willingness to accept the re-appointment. In terms of Section 224A of the Companies Act, 1956, their re-appointment needs to be approved by the members and their remuneration has to be fixed.

AUDITORS' REPORT:

The Auditors' Report to the Shareholders does not contain any reservation, qualification or adverse remark.

CONSERVATION OF ENERGY:

All efforts for conservation of energy are being taken.

TECHNOLOGY ABSORPTION:

Technology absorption is complete.

FOREIGN EXCHANGE EARNING AND OUTGO:

Earnings	₹ 148.09 Lacs
Outgo	₹ 715.89 Lacs

PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of remuneration equal to or exceeding the prescribed limits.

DIRECTORS' RESPONSIBILITY STATEMENT:

On the basis of compliance certificates received from the concerned executives of the respective Divisions of the Company and subject to disclosures in the annual accounts, as also on the basis of the discussion with the Statutory Auditors of the Company from time to time, we state that:

- (i) the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your directors place on record their appreciation for the co-operation received from Company's customers, suppliers, bankers, stakeholders and Govt. Agencies. The Directors also sincerely acknowledge the contribution made by the employees at all levels.

Registered Office:

REMI House,
Plot No.11, Cama Industrial Estate
Goregaon (E), Mumbai-400 063

Dated : 30th May, 2012.

ON BEHALF OF THE BOARD

Sd/-

**VISHWAMBHAR C. SARAF
CHAIRMAN**

Auditors' Report

The Members of **Remi Process Plant and Machinery Limited,**

1. We have audited the attached Balance Sheet of **REMI PROCESS PLANT AND MACHINERY LIMITED** as at **31st March, 2012**, Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to above, we report that:

- (i) we have 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 appears from our examination of those books;
- (iii) the Balance Sheet, the statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

Contd.....2.

- (v) On the basis of written representations received from the Directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (b) in the case of the Statement of Profit and Loss , of the PROFIT for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For SHANKARLAL JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No. 109901W**

Sd/-

**(S. L. AGRAWAL)
PARTNER
Membership Number 72184**

PLACE: MUMBAI
DATED: 30TH MAY, 2012

ANNEXURE TO THE AUDITORS' REPORT

(REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF REMI PROCESS PLANT AND MACHINERY LTD; AS AT 31ST MARCH 2012)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on such verification.
- (c) The company has not disposed off substantial part of fixed assets during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- (iii) (a) In our opinion and according to the information and explanations given to us, the Company granted loans to two Companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum balance outstanding during the year was ₹ 823.40 Lakhs and the balance outstanding at the end of the year was ₹ 351.16 Lakhs.
- (b) In our opinion, the rate of interest and other terms and conditions of loans given by the Company to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, are not prima facie prejudicial to the interest of the Company.
- (c) In our opinion and according to the information and explanations given to us, the parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.
- (d) In our opinion and according to the information and explanations given to us, there is no overdue amount of loans granted to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) According to the information and explanations given to us, the Company has not taken unsecured loan from parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence relevant para is not applicable to the Company.

Contd.....2.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) In our opinion and according to information and explanations given to us, the maintenance of cost records has not been prescribed, for the products of the Company, by the Central Govt. under clause (a) of sub-section (1) of section 209 of the Companies Act, 1956.
- (ix) (a) According to the information and explanations provided to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. And there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they become payable.

Contd.....3.

- (b) According to the information and explanations given to us, the particulars of dues of Income tax, Wealth tax, Service tax, Sales Tax, Customs Duty, Excise Duty and Cess as at 31st March, 2012, which have not been deposited on account of a dispute, are as follows: -

Sr. No.	Name of the Statute	Relevant period	Amount (₹)	Form where dispute is pending
1.	Central Sales Tax Act	1998-1999	63,148.00	Sales Tax Tribunal
2.	Gram Panchayat Tax	2009 to 2012	3,90,747.00	Gram Panchayat

- (x) The Company does not have accumulated losses and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. According the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to information and explanations given to us, the Company has applied the term loans for the purposes for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act during the year.

- (xix) According to the information and explanations given to us, the Company has neither issued any debentures during the year nor issued earlier are outstanding. Accordingly, the provisions of clause (xix) of the Order are not applicable to the Company.
- (xx) According to the information and explanations given to us, the Company has not raised any money by public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For SHANKARLAL JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
Registration No. 109901W**

Sd/-

PLACE : MUMBAI
DATED : 30TH MAY, 2012

**(S. L. AGRAWAL)
PARTNER
Membership Number 72184**

REMI PROCESS PLANT AND MACHINERY LIMITED

BALANCE SHEET AS AT 31ST MARCH 2012

Particulars	Notes	31-03-2012	31-03-2011
		(₹)	(₹)
I. EQUITY AND LIABILITIES:			
(1) Shareholders' Funds			
(a) Share Capital	1	17,600,000	17,600,000
(b) Reserves and Surplus	2	97,225,964	85,921,538
		114,825,964	103,521,538
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)		9,765,062	9,708,280
(b) Other Long term Liabilities	3	12,262,264	12,262,264
		22,027,326	21,970,544
(3) Current Liabilities			
(a) Short-Term Borrowings	4	37,101,976	28,675,374
(b) Trade Payables	5	12,286,714	26,953,107
(c) Other Current Liabilities	6	54,703,007	30,833,945
(d) Short-Term Provisions	7	4,535,969	4,135,607
		108,627,666	90,598,033
Total		245,480,956	216,090,115
II. ASSETS:			
(1) Non-Current Assets			
(a) Fixed Assets	8		
Tangible Assets		87,284,339	89,178,623
Intangible Assets		722,008	608,000
(b) Long Term Loans and Advances	9	2,119,775	2,125,942
		90,126,122	91,912,565
(2) Current Assets			
(a) Current Investments	10	47,499,800	54,500,000
(b) Inventories	11	47,002,909	29,537,839
(c) Trade Receivables	12	7,073,204	25,264,687
(d) Cash and Cash Equivalents	13	7,563,794	6,373,648
(e) Short-term Loans and Advances	14	45,566,090	8,352,855
(f) Other Current Assets	15	649,037	148,521
		155,354,834	124,177,550
Total		245,480,956	216,090,115

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

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AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR SHANKARLAL JAIN AND ASSOCIATES,
CHARTERED ACCOUNTANTS
Registration Number 109901W

FOR AND ON BEHALF OF BOARD

Sd/-
(S.L. AGRAWAL)
PARTNER
Membership No.72184

Sd/-
R.C. SARAF
DIRECTOR

Sd/-
V.C. SARAF
DIRECTOR

PLACE : MUMBAI
DATED : 30TH MAY, 2012

REMI PROCESS PLANT AND MACHINERY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	Notes	For the Year Ended 31.03.2012	For the Year Ended 31.03.2011
		(₹)	(₹)
I. Revenue from Operations	16	179,495,608	170,001,536
Less: Excise Duty		11,154,583	11,007,891
		168,341,025	158,993,645
II. Other Income	17	28,067,867	12,786,145
III. Total Revenue (I +II)		196,408,892	171,779,790
IV. <u>Expenses:</u>			
Cost of Materials Consumed	18	70,944,265	56,982,496
Purchase of Stock-in-Trade	19	41,418,480	29,194,580
Changes in Inventories (Increase)/Decrease	20	(15,504,886)	(2,644,967)
Employee Benefit Expenses	21	34,985,097	32,961,041
Other Expenses	22	33,679,182	36,487,951
Depreciation and Amortization Expenses		5,199,190	4,899,775
Finance Costs	23	6,539,363	759,817
Total Expenses		177,260,691	158,640,693
V. Profit before Tax (VII - VIII)		19,148,201	13,139,097
VI. <u>Tax Expense:</u>			
(a) Current Tax		5,760,000	2,925,000
(b) Deferred Tax/(Credit)		56,782	(53,482)
(c) (Excess)/Short provisions of Taxations of earlier year		606,963	(1,396,949)
VII. Profit/(Loss) for the Period		12,724,456	8,870,630
VIII. Earning per Equity Share [Nominal Value of Share ₹10] (31st March 2011 - ₹ 10)			
(1) Basic		7.23	5.04
(2) Diluted		7.23	5.04

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

24

AS PER OUR REPORT OF EVEN DATE ANNEXED
FOR SHANKARLAL JAIN AND ASSOCIATES,
CHARTERED ACCOUNTANTS
Registration Number 109901W

FOR AND ON BEHALF OF BOARD

Sd/-
(S.L. AGRAWAL)
PARTNER
Membership No.72184

R.C. SARAF
DIRECTOR

Sd/-
V.C. SARAF
DIRECTOR

PLACE : MUMBAI
DATED : 30TH MAY, 2012

REMI PROCESS PLANT AND MACHINERY LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2011-2012

	(₹ in Lacs)	
	2011-2012	2010-2011
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra-ordinary item	191.48	131.39
Adjustment for :		
Depreciation	51.99	49.00
Interest	65.39	7.60
Loss/(Gain) on sale of Fixed Assets	1.67	(6.51)
Other Miscellaneous Expenditure	0.23	0.23
Capital Loss/(Gain) on sale of Investments	1.90	(2.07)
Interest Income	(74.86)	(18.50)
Other Income	(206.40)	(100.78)
Operating profit before working capital charges	31.40	60.36
Adjustment for :		
Trade and Other Receivables	(195.39)	(127.02)
Inventories	(174.65)	(86.92)
Trade Payable and Provision	96.03	258.11
Cash Generated from Operations	(242.61)	104.53
Interest Paid	(65.39)	(7.60)
Direct Taxes Paid	(57.60)	(29.25)
Cash Flow before Extra-ordinary items	(365.60)	67.68
Extra-ordinary items	(6.07)	(13.97)
Net Cash from Operating Activities (A)	(371.67)	53.71
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(38.90)	(17.28)
Sale of Fixed Assets	1.11	6.98
Purchase of Investments	(475.00)	(545.00)
Sale of Investments	543.10	285.17
Interest, Dividend and Other Income	281.26	119.28
Net Cash used in Investing Activities (B)	311.57	(150.85)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short Term Loan	-	69.26
Increase in Short Term Borrowing	84.27	
Repayment of Long Term Loan	-	(1.32)
Dividend	(10.56)	(10.56)
Additional Income Tax on Dividend Paid	(1.71)	(1.75)
Net Cash used in Financial Activities (C)	72.00	55.63
Net Increase in Cash and Cash Equivalents (A+B+C)	11.90	(41.51)
Cash as at (Closing Balance)	75.64	63.74
Cash as at (Opening Balance)	63.74	105.25
Increase/Decrease in Cash Balance	11.90	(41.51)

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

24

AS PER OUR REPORT OF EVEN DATE
FOR SHANKARLAL JAIN AND ASSOCIATES,
CHARTERED ACCOUNTANTS
Registration Number 109901W

FOR AND ON BEHALF OF BOARD

Sd/-
(S.L. AGRAWAL)
PARTNER
Membership No.72184

Sd/-
R.C. SARAF
DIRECTOR
V.C. SARAF
DIRECTOR

PLACE : MUMBAI
DATED : 30TH MAY, 2012

REMI PROCESS PLANT AND MACHINERY LIMITED

	31-03-2012 (₹)	31-03-2011 (₹)
NOTE - 1		
SHARE CAPITAL		
AUTHORISED: 18,00,000 (18,00,000) Equity Shares of ₹ 10/- Each	18,000,000	18,000,000
ISSUED, SUBSCRIBED AND PAID UP : 17,60,000 (P.Y. 17,60,000) Equity Shares of ₹ 10/- each	17,600,000	17,600,000
TOTAL	17,600,000	17,600,000

(a) **Terms/ Rights Attached to Equity Shares:**

The company has only one class of equity shares having par value of ₹ 10. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

(b) During the year ended 31st March 2012, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 0.60 (31st March 2011 ₹ 0.60)

(c) In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) **Details of Shareholders Holding more than 5% Shares of the Company:**

Sr. No.	Name of the Shareholder	No. of shares as on 31-03-2012	No. of shares as on 31-03-2011
1	Rishabh R. Saraf	124800	124800
2	Rajendra C. Saraf	127200	127200
3	Vishwambhar C. Saraf H.U.F.	135200	135200
4	Minakshi R. Saraf	156000	156000
5	Vandana V. Saraf	260000	260000
6	Shruti R. Saraf	286400	286400
7	Fulidevi Saraf Family Trust	126000	126000
8	Dholishakti Enterprises Pvt. Ltd.	220000	220000
9	Hanuman Forging And Engineering. Pvt. Ltd.	220000	220000

Particulars	31-03-2012 (₹)	31-03-2011 (₹)
NOTE - 2		
RESERVES AND SURPLUS		
a) <u>Revaluation Reserve</u>		
Opening Balance	1,846,722	2,054,633
Less- Transferred to Profit and Loss Account	192,720	207,911
Closing Balance	1,654,002	1,846,722
b) <u>General Reserve:</u>		
Opening Balance	45,315,276	40,315,276
Add: Transferred from surplus balance in statement of Profit & Loss	5,000,000	5,000,000
Add: Transferred from Foreign Project Reserve Account	1,519,000	-
Closing Balance	51,834,276	45,315,276
c) <u>Foreign Project Reserve Account</u>		
As per last Balance Sheet	1,519,000	1,519,000
Less: Transferred to General Reserve on completion of statutory period	1,519,000	-
	-	1,519,000
d) <u>Surplus:</u>		
Opening Balance	37,240,540	34,601,298
Add: Profit for the period	12,724,456	8,870,630
Less: <u>Appropriations:</u>		
Transferred to General reserve	5,000,000	5,000,000
Proposed dividend [amount per share ₹ 0.60 (31st March 2011 ₹ 0.60)]	1,056,000	1,056,000
Provision for tax on dividend	171,310	175,388
Net surplus in the statement of profit & loss	43,737,686	37,240,540
Total reserves and surplus	97,225,964	85,921,538

Particulars	31-03-2012 (₹)	31-03-2011 (₹)
NOTE - 3		
OTHER - LONG TERM LIABILITIES		
(a) Deposit Received	10,545,600	10,545,600
(b) Deferred Payment Liabilities - Sales Tax (Payable from April 2014 in five annual equal instalments)	1,716,664	1,716,664
	12,262,264	12,262,264
	12,262,264	12,262,264
NOTE - 4		
SHORT TERM BORROWING		
Loans Repayable on Demand:		
Secured Loans:		
From State Bank of India:		
Cash Credit Facility	37,101,976	28,675,374
[Secured by hypothecation of Company's entire current assets, movable Plant & Machinery, Furniture & Fixtures, etc., and extension of equitable mortgage of Land & Building at Palghar and at Dhule and further guaranteed by two of the Directors]		
Total	37,101,976	28,675,374
NOTE - 5		
TRADE PAYABLES		
Trade Payable (Include payable to SME ₹ 4,05,504/- P.Y. ₹ 3,08,705/-) [Refer Note No.24.13]	12,286,714	26,953,107
	12,286,714	26,953,107
NOTE - 6		
OTHER CURRENT LIABILITIES		
Other Payables:		
- Advance from Customers	26,808,753	14,185,096
- Other Statutory Dues Payable	832,938	823,747
- Lease Rent And Interest thereon	21,120,299	10,184,386
- Other Liabilities	5,941,017	5,640,716
	54,703,007	30,833,945
NOTE - 7		
SHORT TERM PROVISION		
For Employee Benefit:		
Provision For Gratuity	773,704	382,853
Provision For Leave Encashment	2,534,955	2,521,366
	3,308,659	2,904,219
For Others:		
Provision for Dividend	1,056,000	1,056,000
Provision for Tax on Dividend	171,310	175,388
	1,227,310	1,231,388
TOTAL	4,535,969	4,135,607
NOTE - 9		
LONG -TERM LOANS AND ADVANCES (Unsecured, Considered good)		
Security Deposits	994,953	937,120
Advance towards Lease Rent	1,124,822	1,188,822
	2,119,775	2,125,942
NOTE - 10		
CURRENT INVESTMENTS NON TRADE -UNQUOTED.		
(a) Investment in Mutual Funds		
20,007.3776 (41,02,493.822) Units of SBI Magnum Insta Cash - Cash option of SBI-M.F. of ₹ 10/- each (NAV as 31.03.12 ₹ 4,75,29,434/-; P.Y. ₹5,25,18,484.91)	47,499,800	52,500,000
(b) NIL (2,00,000) SBI units of PSU Fund Growth of ₹ 10/- each (P.Y. ₹ 19,68,000/-)	-	2,000,000
TOTAL	47,499,800	54,500,000

REMI PROCESS PLANT AND MACHINERY LIMITED.

NOTE - 8

Particular	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As on 01.04.2011	Addition/ adjustment	Deduction	As on 31.03.2012	Upto 31.03.2011	For the Year	Deduction	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
(a) TANGIBLE ASSETS:										
1. Land	9,451,760.00	-	-	9,451,760.00	-	-	-	-	9,451,760.00	9,451,760.00
2. Factory Building	39,436,220.00	-	-	39,436,220.00	8,229,019	1,235,469.00	-	9,464,488.00	29,971,732.00	31,207,201.00
3. Plant And Machinery	24,283,888.00	21,900.00	-	24,305,788.00	10,200,065	1,192,345.00	-	11,392,410.00	12,913,378.00	14,083,823.00
4. Computers	2,210,944.00	50,028.00	-	2,260,972.00	1,864,142	92,457.00	-	1,956,599.00	304,373.00	346,802.00
5. Office Equipment	1,463,102.00	571,028.00	136,000.00	1,898,130.00	728,016	81,618.00	49,880.00	759,754.00	1,138,376.00	735,086.00
6. Wind Mill	35,188,472.00			35,188,472.00	9,754,243	1,857,951.00		11,612,194.00	23,576,278.00	25,434,229.00
7. Electrical Instalation	7,634,793.00			7,634,793.00	1,760,157	337,380.00		2,097,537.00	5,537,256.00	5,874,636.00
8. Air Conditioners	712,809.00	217,568.00		930,377.00	237,279	36,824.00		274,103.00	656,274.00	475,530.00
9. Furniture & Fixture	2,680,361.00	-	-	2,680,361.00	1,431,926	116,669.00	-	1,548,595.00	1,131,766.00	1,248,435.00
10. Vehicles	1,662,350.00	2,127,009.00	502,710.00	3,286,649.00	733,229	260,695.00	310,421.00	683,503.00	2,603,146.00	929,121.00
ASSETS GIVEN ON RENT										
11 Plant And Machinery	300,000.00			300,000.00	300,000.00			300,000.00		
Total (a)	125,024,699.00	2,987,533.00	638,710.00	127,373,522.00	35,238,076.00	5,211,408.00	360,301.00	40,089,183.00	87,284,339.00	89,786,623.00
(b) INTANGIBLE ASSETS:										
Computer Software	608,000.00	902,510.00	-	1,510,510.00	608,000.00	180,502.00	-	788,502.00	722,008.00	-
Total (b)	608,000.00	902,510.00	-	1,510,510.00	608,000.00	180,502.00	-	788,502.00	722,008.00	-
Total (a) + (b)	125,632,699.00	3,890,043.00	638,710.00	128,884,032.00	35,846,076.00	5,391,910.00 **	360,301.00	40,877,685.00	88,006,347.00	89,786,623.00
PREVIOUS YEAR TOTAL	125,149,032.00	1,727,667.00	1,244,000.00	125,632,699.00	31,935,402.00	5,093,974.00	1,183,300.00	35,846,076.00	89,786,623.00	93,213,630.00

** Include Depreciation on Revalued Asstes of ₹1,92,720/- (P.Y. ₹1,94,199/-) which is reduced from Revaluation Reserve A/c.

Particulars	31-03-2012 (₹)	31-03-2011 (₹)
NOTE - 11 (As taken, valued and Certified by the Management)		
Raw Materials (including goods in transit ₹ 6,57,310/- P.Y. ₹ 6,51,487/-)	18,848,380	16,888,196
Work-In -Process	12,742,079	12,599,988
Stock-in-Trade (Trading Goods) (incl. goods in transit ₹ 1,52,78,497/- P.Y. ₹ NIL)	15,278,497	-
Scrap	133,953	49,655
TOTAL	47,002,909	29,537,839
NOTE - 12		
TRADE RECEIVABLE		
(Unsecured, Considered good)		
Outstanding for more than 6 months	221,974	256,651
Others	6,851,230	25,008,036
TOTAL	7,073,204	25,264,687
NOTE - 13		
CASH AND BANK BALANCES:		
CASH AND CASH EQUIVALENTS:		
(a) Balance with Scheduled Banks:		
On current account	80,338	175,672
On fixed deposits with maturity of less than 3 months (pledged against Bank Guarantees and L/cs as margin)	5,000,000	5,718,000
(b) Cash on Hand	265,456	179,976
OTHER BANK BALANCES:		
(a) Fixed Deposits with maturity of more than 3 months and less than 12 months (pledged against Bank Guarantees and L/cs as margin)	2,218,000	300,000
TOTAL	7,563,794	6,373,648
NOTE - 14		
SHORT TERM LOANS AND ADVANCES (Unsecured, Considered good)		
(a) Loans and advance to related parties	35,115,794	-
	35,115,794	-
(b) Others :		
Excise And Service Tax Balance	764,243	427,878
Advance Income Tax & TDS (Net of Provisions)	778,222	46,141
Prepaid Expenses	1,211,650	1,062,608
Advance to Suppliers	4,367,107	3,039,383
Other Advances Recoverable in cash or kind (including recoverable from related parties of ₹ 1,045/- P.Y. ₹ 12,94,994/-)	604,119	1,703,761
Sales Tax Receivable	2,724,955	2,073,084
TOTAL	45,566,090	8,352,855
NOTE - 15		
OTHER CURRENT ASSETS		
Unamortised expenses	-	23,200
Interest accrued but not due	649,037	125,321
TOTAL	649,037	148,521

REMI PROCESS PLANT AND MACHINERY LIMITED

PARTICULARS	For the Year Ended 31.03.2012 (₹)	For the Year Ended 31.03.2011 (₹)
NOTE - 16		
Revenue from Operations:		
(a) <u>Sale of Products:</u>		
Local Sales	136,425,259	132,938,184
Export Sales	14,809,466	6,157,029
Trading Sales	26,662,784	29,778,472
	177,897,509	168,873,685
(b) <u>Other Operating Revenues:</u>		
Sale of scrap	461,099	943,851
Labour & Service Charges	1,137,000	184,000
	1,598,099	1,127,851
Revenue from operations	179,495,608	170,001,536
Details of products sold:		
1. Process Plant and Machinery	146,872,898	135,095,675
2. Wind Power Generation	4,348,801	3,958,488
3. Steel Goods	26,662,784	29,778,472
4. Others	13,026	41,050
	177,897,509	168,873,685
NOTE - 17		
Other Income		
Interest Income on:		
Bank deposits	735,795	337,359
Other Loan & Advances	6,706,883	1,503,485
From Customers	43,016	9,372
Net Gain on Sale of current investments	109,560	207,228
Foreign Exchange Gain/(Loss)	(41,232)	147,506
Conducting Charges	13,750,000	3,266,129
Other Non-Operating Income		
Rent Received	6,091,200	6,091,200
Rent On Plant & Machinery	60,000	60,000
Sundry Credit Balances W/back	615,397	392,860
Profit /(Loss) on Sale of Fixed Assets	(167,298)	651,012
Miscellaneous Income	164,546	119,994
	28,067,867	12,786,145
NOTE - 18		
(a) Cost of raw materials and components consumed		
Inventory at the beginning of the year	16,888,196	10,841,619
Add: Purchases	72,904,449	63,029,073
	89,792,645	73,870,692
Less: Inventory at the end of the year	18,848,380	16,888,196
Cost of raw materials and components consumed	70,944,265	56,982,496
(b) Details of raw materials and components consumed:		
1. Electric Motors	7,886,729	4,779,723
2. Gear Box	10,061,985	8,238,900
3. Steel Goods	36,257,216	29,831,196
4. Others	16,738,335	14,132,677
	70,944,265	56,982,496

	For the Year Ended 31.03.2012 (₹)	For the Year Ended 31.03.2011 (₹)
NOTE - 19		
Change in Inventories		
(a) (Increase) / decrease in inventories		
Inventories at the end of the year		
Scrap	133,953	49,655
Work-in-progress	12,742,079	12,599,988
Stock in Trade (in Transit)	15,278,497	
	28,154,529	12,649,643
(b) Inventories at the beginning of the year		
Scrap	49,655	370,404
Work-in-progress	12,599,988	9,634,272
	12,649,643	10,004,676
	15,504,886	2,644,967
NOTE - 20		
Purchase of traded goods		
Steel Goods	41,418,480	29,194,580
	41,418,480	29,194,580
NOTE - 21		
Employee benefit expenses:		
Salaries, wages and bonus	31,359,752	29,745,136
Contribution to provident and Gratuity Funds	2,987,451	2,581,139
Staff welfare expenses	637,894	634,766
	34,985,097	32,961,041
NOTE - 22 Other Expenses		
(a) Manufacturing Expenses		
Power and fuel	1,497,410	1,734,438
Labour Charges	5,625,179	5,295,170
Royalty	344,966	373,051
Repairs and maintenance:		
Building	752,423	2,748,493
Machinery	1,213,058	1,665,002
Others	737,960	569,258
(b) Other expenses:		
Insurance	391,043	367,001
Rents Rates and taxes	6,402,449	6,528,990
Director sitting fees	30,000	24,000
Director Commission	160,180	84,500
Legal and professional fees	1,305,364	651,027
Loss on sale of Long Term Investment	300,000	-
S.T.T.	4,250	5,265
Rent	540,000	468,000
Late Delivery Charges	112,832	10,769
Sales Tax & VAT	4,378,960	4,880,572
Donation	251,000	-
Payment to auditor		
Audit fee	60,000	60,000
Tax audit fee	15,000	15,000
VAT audit fee	15,000	15,000
Other services (certification fees)	33,500	13,750
Reimbursement of Expenses	2,550	4,560
Deferred Revenue exp. Amortised	23,200	23,200
Freight and Forwarding Charges (Net)	145,055	693,326
Miscellaneous Expenses	9,337,803	10,257,579
Total	33,679,182	36,487,951
NOTE - 23		
Finance Costs		
Interest expenses	5,880,740	747,707
Other borrowing costs	568,415	12,110
Exchange difference to the extent considered as an adjustment to borrowing costs	90,208	-
Total	6,539,363	759,817

REMI PROCESS PLANT AND MACHINERY LIMITED

NOTE – “24” – ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

24.1 SIGNIFICANT ACCOUNTING POLICIES:

i) Basis of Accounting

The Financial Statements are prepared under historical cost convention and generally on accrual basis and are in accordance with the requirement of the Companies Act, 1956.

ii) Fixed Assets

Fixed Assets, other than those which have been revalued, are stated at their original cost which includes expenditure incurred in the acquisition and construction/ installation and other related expenses. Assets which have been revalued in the earlier years are accounted for at values determined on the basis of such revaluation made by professional valuers. Profit arising on revaluation has been credited to Capital Reserve Account.

iii) Intangible Assets

Expenditure incurred for acquiring software is stated at acquisition cost. They are amortised over their useful life not exceeding five years.

iv) Depreciation

a. Depreciation on fixed assets has been provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions/deductions on Assets during the year is provided on pro-rata basis and for low items costing up to ₹ 5,000/-, 100% depreciation has been provided.

b. In respect of revalued assets, depreciation is provided on the revalued figures and an amount equal to the additional depreciation consequent on such revaluation is charged to Capital reserve.

v) Inventories

a) Raw materials valued at cost or realisable value, whichever is less. Work-in-process is valued at direct cost plus estimated overheads. Scrap has been valued at realisable value.

b) Finished Goods – At direct cost plus estimated overheads or market value whichever is lower.

vi) Investments

Long Term investments are stated at cost, temporary fall in market value, if any, is not provided for.

Current investments are carried at lower of cost or fair value.

Contd.....2.

(vii) **EMPLOYEE RETIREMENT BENEFITS:**

1) **Post-Employment Employee Benefits**

a) **Defined Contribution Plans:**

The Company has Defined Contribution Plan for Post employment benefits in the form of Provident Fund for all employees which is administered by Regional Provident Fund Commissioner. Provident Fund is classified as defined contribution plan as the Company has no further obligation beyond making the contributions. The Company's contribution to Defined Contribution Plan is charged to the Profit and Loss Account as and when incurred.

b) **Defined Benefit Plans:**

Funded Plan: The Company has defined benefit plan for Post-employment benefit in the form of Gratuity for all employees which is administered through Life Insurance Corporation (LIC).

Liability for above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

2) **Other Long-term Employee Benefit:**

Liability for Compensated Absences (unutilized leave benefit) is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is the Projected Unit Credit Method in respect of past service.

3) Termination benefits are recognized as an expense as and when incurred.

4) The actuarial gains and losses arising during the year are recognized in the Profit and Loss Account of the year without resorting to any amortization.

(viii) **Impairment**

Impairment of assets are assessed at each Balance Sheet date and loss is recognized whenever the recoverable amount of an asset is less than its carrying amount.

(ix) **Foreign Currencies Transactions**

a) Foreign currency transactions completed during the year are recorded at the exchange rate prevailing at the time of the transaction.

b) Foreign currency transactions remaining unsettled at the year end and not covered by forward contract are translated at the exchange rate prevailing at the year end. Premium/discount on forward contracts are amortized over the period of the contract.

Contd.....3.

- c) The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account.

x) Sales

- a) Sales are inclusive of excise duty and Sales tax, and net of return, claims, discounts etc.
- b) Sale is recognized at the point of dispatch/billing to customer.
- c) Export Sales are shown on FOB basis.

xi) Other Income

- a) Service income is recognized on completion of job.
- b) Interest income is accounted for on time proportion basis.
- c) Rent income is accounted for on time proportion basis.

xii) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition of fixed assets are capitalized for the period until the asset is ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xiii) Taxes

Tax expense for the year comprises of current tax and deferred tax/(credit). Current tax provision has been determined on the basis of reliefs, deductions available under the Income Tax Act. Deferred Tax is recognised for all timing differences between taxable income and accounts income for the reporting period that originate in one period and capable of reversal in one or more subsequent periods, subject to the consideration of prudence, applying tax rates that are applicable on Balance Sheet date.

(xiv) Provisions, Contingent Liabilities And Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it probable that there will be an outflow of resources. Contingent Assets are neither recognized nor disclosed in the financial statements.

- 24.2** The Company revalued its factory building, plant & machinery and electric installation in earlier years. Consequently their gross values net of transfers, have increased by ₹ 52,89,706/, ₹ 27,55,912/- and ₹ 3,68,880/- respectively. Depreciation on revalued amount has been directly charged to Capital Reserve account. Consequently Fixed Assets and Reserves & Surplus are still higher by ₹ 16,54,002/- (PY ₹ 18,46,722/-)

Contd.....4.

24.3 The significant component and classification of deferred tax assets and liabilities on account of timing differences are as under: -

	As At 31-03-2012 (₹)	As At 01-04-2011 (₹)
<u>Deferred Tax Assets:</u>		
Retirement Benefits	8,22,467	8,18,057
Capital Loss	20,48,798	20,48,798
	28,71,265	28,66,855
<u>Deferred Tax Liability:</u>		
Depreciation	(1,26,36,327)	(1,25,75,135)
Net deferred tax asset/(liability) on account of timing difference	(97,65,062)	(97,08,280)

24.4 Earning per Shares

	2011–2012 (₹)	2010–2011 (₹)
a) <u>Weighted average number of equity shares of ₹10/- each</u>		
i) Number of shares at the beginning of the year	17,60,000	17,60,000
ii) Number of shares at the end of the year	17,60,000	17,60,000
iii) Weighted average number of equity shares outstanding During the year.	17,60,000	17,60,000
b) Net profit after tax available for equity share-holders	1,27,24,456	88,70,630
c) Basic and diluted earnings per equity share	7.23	5.04

24.5 Related parties disclosures: -

1) (a) Key Management Personnel:

Shri Rajendra C. Saraf.

(b) Associate Concerns:

Remi Edelstahl Tubulars Ltd., Remi Elektrotechnik Ltd., Remi Sales and Engineering Ltd., Remi Securities Ltd., Remi Metals Gujarat Ltd., Remi Finance & Investment Pvt. Ltd. and Rajendra Finance Pvt. Ltd.

(c) Relatives of key management personnel and their enterprises where transactions have taken place:

Rajendra Electrical Motor Industries, Rishabh R. Saraf, Ritvik V. Saraf, Minakshi R. Saraf, Vishwambhar C. Saraf, Dholishakti International and Remi International.

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

Contd.....5.

2) Transactions carried out with related parties referred in 1 above, in ordinary course of business:

(₹ in Lacs)

Nature of Transactions	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Purchases			
Goods and Materials	-- (--)	197.77 (29.87)	-- (97.34)
Fixed Assets	-- (--)	-- (0.24)	-- (--)
Sales			
Goods & Services	-- (--)	400.11 (357.26)	-- (--)
Expenses			
Rent and other service charges	-- (--)	4.51 (3.61)	4.39 (3.91)
Testing Charges & Labour Charges	-- (--)	4.95 (1.35)	-- (--)
Remuneration	38.62 (36.54)	-- (--)	-- (--)
Royalty	-- (--)	-- (--)	3.79 (4.10)
Directors' Commission	-- (--)	-- (--)	1.60 (0.85)
Sales Commission	-- (--)	2.07 (2.17)	-- (--)
Miscellaneous Expenses/ Reimbursement	-- (--)	0.04 (0.20)	-- (0.08)
Income			
Rent and other service charges	-- (--)	54.16 (54.16)	13.70 (13.70)
Interest Received	-- (--)	66.69 (15.03)	-- (--)
Reimbursement of Expenses	-- (--)	13.80 (17.81)	2.44 (2.17)
Finance			
Loans and Advances given	-- (--)	923.40 (1166.00)	-- (--)
Loans and Advance taken	-- (--)	-- (10.00)	-- (--)

Contd.....6.

(₹ in Lacs)

Nature of Transactions	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Outstandings			
Payable	-- (--)	2.35 (3.13)	0.27 (0.84)
Receivable	-- (--)	6.22 (127.68)	.018 (0.70)
Loans and Advances	-- (--)	351.16 (12.95)	-- (--)
Property Deposit paid	-- (--)	1.00 (--)	3.00 (3.00)
Property Deposit taken	-- (--)	24.25 (26.14)	6.21 (4.32)

24.6 Disclosures in accordance with Revised AS – 15 on “Employee Benefits” :(A) Defined Contribution Plans:

The Company has recognized the following amounts in the Profit and Loss Account for the year:

For the year ended March 31, 2012 (₹)

Contribution to Employees' Provident Fund	22,13,747.00 (21,98,286.00)
Total	22,13,747.00 (21,98,286.00)

(B) Defined Benefits Plans:(i) Changes in the Present Value of Obligation**For the year ended March 31, 2012 (₹)**

		Gratuity	Leave Encashment	Total
(a)	Present Value of Obligation as at April 1, 2011	99,73,751 (91,93,724)	25,21,366 (23,70,683)	1,24,95,117 (115,64,407)
(b)	Interest Cost	8,22,826 (7,58,482)	2,08,013 (1,95,581)	10,30,839 (9,54,063)
(c)	Past Service Cost	-- (--)	-- (--)	-- (--)
(d)	Current Service Cost	5,87,755 (5,92,361)	41,962 (19,442)	6,29,717 (6,11,803)
(e)	Benefits Paid	4,74,952 (3,62,300)	2,52,179 (3,34,048)	7,27,131 (6,96,348)
(f)	Actuarial (Gain)/Loss	2,43,650 (2,08,616)	17,793 (2,69,708)	2,61,443 (4,78,324)
(g)	Present Value of Obligation as at 31-03-2012	1,11,52,930 (99,73,651)	25,34,955 (25,21,366)	1,36,87,885 (124,95,017)

Contd.....7.

(ii) Changes in the Fair value of Plan Assets: **For the year ended March 31, 2012**

		Gratuity (₹)
(a)	Present Value of Plan Assets as at April 1, 2011	95,90,798 (68,44,907)
(b)	Expected Return on Plan Assets	8,80,611 (7,59,374)
(c)	Actuarial (Gain)/Loss	-- (--)
(d)	Employers' Contributions	3,82,769 (23,48,817)
(e)	Employees' Contributions	-- (--)
(f)	Benefits Paid	4,74,952 ((3,62,300))
(g)	Fair Value of Plan Assets as at March 31, 2012	1,03,79,226 (95,90,798)

(iii) Amount recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets:-

For the year ended March 31, 2012 (₹)

		Gratuity	Leave Encashment	Total
(a)	Present Value of Funded Obligation as at March 31, 2011	1,11,52,930 (99,73,651)	25,34,955 (25,21,366)	1,36,87,885 (124,95,017)
(b)	Fair Value of Plan Assets as at March 31, 2011	1,03,79,226 (95,90,798)	-- (--)	1,03,79,226 (95,90,798)
(c)	Present Value of Unfunded Obligation as at March 31, 2012	7,73,620 (3,82,853)	-- (--)	7,73,620 (3,82,853)
(d)	Net Liability recognized in the Balance Sheet	7,73,704 (3,82,853)	25,34,955 (25,21,366)	33,08,659 (29,04,219)

(iv) Expenses recognized in the Profit and Loss Account

For the year ended March 31, 2012 (₹)

		Gratuity	Leave Encashment	Total
(a)	Current Service Cost	5,87,755 (5,92,361)	41,962 (19,442)	6,29,717 (6,11,803)
(b)	Past Service Cost	-- (--)	-- (--)	-- (--)
(c)	Interest Cost	8,22,826 (7,58,482)	2,08,013 (1,95,581)	10,30,839 (9,54,063)
(d)	Expected Return on Plan Assets	8,80,611 (7,59,374)	-- (--)	8,80,611 (7,59,374)
(e)	Net actuarial (Gain)/Loss	2,43,650 (2,08,616)	15,793 (2,69,708)	2,59,443 (4,78,324)
(f)	Employees' Contribution	-- (--)	-- (--)	-- (--)
(g)	Total Expenses recognized in the Profit and Loss Account	7,73,620 (3,82,853)	2,65,768 (4,84,731)	10,39,388 (8,67,584)

Contd.....8.

- (v) Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2012

	Percentage
(a) Government of India Securities	-- (--)
(b) Corporate Bonds	-- (--)
(c) Special Deposit Scheme	-- (--)
(d) Equity Shares of Listed Companies	-- (--)
(e) Property	-- (--)
(f) Insurer Managed Funds	100% (100%)
(g) Others	-- (--)

- (vi) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

- (vii) The Actual Return on Plan Assets is as follows

Particulars	(₹)
(a) Actual return on plan assets	8,80,611 (7,59,374)

- (viii) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Particulars	Gratuity	Leave Encashment
(a) Discount Rate	8.75% (8.25%)	8.75% (8.25%)
(b) Expected Rate of Return on Plan Assets	9.15% (9.15%)	-- (--)
(c) Salary Escalation Rate	5.50% (5.50%)	5.50% (5.50%)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

24.7 Segment information for the year ended 31st March, 2012.

- a) Information about Primary Business Segments

(₹ in Lacs)

<u>Revenue</u>	Engineering Division	Wind Power Generation	Total
External	1751.47 (1,660.43)	43.49 (39.59)	1794.96 (1,700.02)
Inter Segment	-- (--)	-- (--)	-- (--)
Total Revenue	1751.47 (1,660.43)	43.49 (39.59)	1794.96 (1700.02)

Contd.....9.

(₹ in Lacs)

Result

	Engineering Division	Wind Power Generation	Total
Segment Result	178.85 (128.00)	12.63 (3.39)	191.48 (131.39)

Profit Before Tax	191.48 (131.39)
Provision for current Taxation	57.60 (29.25)
Provision for deferred Taxation/(Credit)	(.057) ((0.54))
Excess/(Short) provision for taxation of earlier year w/back	6.07 ((13.97))
Profit after Tax	127.24 (88.71)

Other Information

	Engineering Division	Wind Power Generation	Total
Segment Assets	2201.11 (1,886.70)	253.70 (273.51)	2454.81 (2,160.90)
Segment Liabilities	1204.74 (1,021.51)	4.16 (7.09)	1208.90 (1,028.60)
Capital Expenditure	38.90 (17.28)	-- (--)	38.90 (17.28)
Depreciation	33.41 (30.42)	18.58 (18.58)	51.99 (49.00)

During the year there are no separately identifiable geographical segment hence disclosure as per geographical market is not required.

24.8 Contingent Liabilities not provided for:

- Guarantees given by the Bankers on behalf of the Company ₹ 76,60,478/- (P.Y. ₹ 1,99,88,118/-).
- Letters of Credit ₹ 2,16,42,703/- (P.Y. ₹ 44,24,063/-)
- Sales Tax demands disputed in appeals ₹ 63,148/- (P.Y. ₹ 63,148/-).
- Liability in respect of Lease rent including interest thereon disputed by the Company ₹ 2,34,86,874/- (P.Y. ₹ 2,37,44,721/-)
- Demand of Excise Duty and penalty disputed in appeal ₹NIL/- (P.Y. ₹19,615/-)
- Demand of Service Tax and penalty disputed in appeal ₹ NIL/- (P.Y. ₹ 34,851/-).
- Demand in respect of N. A. Tax Disputed by company ₹ NIL/- (P.Y. ₹ 1,06,589/-).
- Bills discounting of ₹ 17,96,890/- (P.Y. ₹ NIL)

Contd.....10.

24.9 Confirmations have not been received of debit and credit balances of the parties' accounts. Hence, the said balances are as per books of account only.

24.10 In the opinion of the Board, the current assets, loans and advances are approximately of the values stated if realised in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amounts reasonably necessary. There are no contingent liabilities other than those stated hereinabove.

24.11 Managerial Remuneration

	Current Accounting Year ended 31.03.2012 Value (₹)	Previous Accounting Year ended 31.03.2011 Value (₹)
i) Directors' Sitting Fees	30,000	24,000
ii) Directors' Commission (Calculated @ 1% of the Net Profit u/s349/198(1) of the Companies Act. 1956	1,60,180	84,500
iii) Remuneration (incl. contribution to Provident Fund and estimated value of perquisites of ₹ 11,62,493/-; P.Y. ₹ 9,54,024/-)	38,62,493	36,54,024
Total	40,52,673	37,62,524

24.12 Value of Raw Material Consumed:

	Value (₹)	% of Total Consumption
Imported	33,26,610 (70,76,006)	4.69 (12.42)
Indigenous	6,76,17,655 (4,99,06,490)	95.31 (87.58)
TOTAL	7,09,44,265 (5,69,82,496)	100.00 (100.00)

24.13 Details of Micro, Small and Medium Enterprises are not available. As per the management payment to Micro, Small and Medium Enterprises are made in accordance with the agreed credit terms and to the extent ascertained from available information. There is no overdue payable to MSME units beyond the period specified in Micro, Small and Medium Enterprises Development Act, 2006.

24.14 a) - Imports of Materials on C.I.F basis ₹ 2,61,39,983/- (P.Y. ₹ 3,90,60,334/-)

b) Foreign Exchange Earnings:

- FOB Value of Exports ₹ 1,48,09,466/- (P.Y. ₹ 61,57,029/-)

c) Expenditure in Foreign Currency:

- Travelling Expenses ₹ 5,23,211./- (P.Y. ₹ 12,31,777/-)

- Payment for Material ₹ 4,49,25,619/- (P. Y. ₹ 1,61,93,593/-)

Contd.....11.

24.15 Till the year ended 31st March 2011, the Company was using pre-revised schedule VI to the Companies Act 1956, for preparation and presentation of its financial Statements. During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company. The Company has reclassified previous Year's figures to conform to this years classification.

24.16 Figures within brackets are for previous year and in case of loss same has been shown double brackets.

24.17 Figures have been rounded off to the nearest rupee.

AS PER OUR ANNEXED REPORT

For **SHANKARLAL JAIN AND ASSOCIATES**
CHARTERED ACCOUNTANTS
Registration Number 109901W

FOR AND ON BEHALF OF BOARD

Sd/-

(S.L. AGRAWAL)
PARTNER

Membership Number 72184

Sd/-

R.C. SARAF V.C. SARAF
DIRECTORS

PLACE : MUMBAI.

DATED: 30TH MAY, 2012

REMI PROCESS PLANT AND MACHINERY LIMITED

Regd. Office: Remi House, 11, Cama Industrial Estate, Goregaon(E), Mumbai- 400 063

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

Full Name of Member (in BLOCK LETTERS) _____

Member's Folio No. _____ Client ID No. _____ DPID No. _____

Name of proxy (in BLOCK LETTERS) _____

(To be filled in if the Proxy attends instead of the Member/s)

No. of Shares Held _____

I hereby record my presence at the **38TH ANNUAL GENERAL MEETING** to be held on **Saturday the 29th September, 2012**, at its Registered Office at 12.00 Noon.

Note: To be signed at the time of handing over this slip.

Member's/ Proxy's Signature

REMI PROCESS PLANT AND MACHINERY LIMITED

Regd. Office: Remi House, 11, Cama Industrial Estate, Goregaon(E), Mumbai- 400 063

PROXY FORM

Member's Folio No. _____ Client ID No. _____ DPID No. _____

I/ We _____ of _____ being a Member/ Members of the above-named Company, hereby appoint _____ of _____ as my/ our proxy to attend and vote for me/ us on my/ our behalf at the **38TH ANNUAL GENERAL MEETING** to be held on **Saturday the 29th September, 2012**, at its Registered Office at 12.00 Noon.

Signed

Date:

Notes:

1. The instrument of Proxy shall be deposited at the Regd. Office of the Company not less than 48 hours before the time fixed for the holding of the Meeting.
2. The Form should be signed across the stamp as per specimen signature registered with the Company.



BOOK – POST

If undelivered, please return to:

REMI PROCESS PLANT AND MACHINERY LIMITED

REMI House, Plot No.11, Cama Industrial Estate,
Goregaon (East), Mumbai – 400 063