

## **Important Information for Shareholders**

### **“GREEN INITIATIVE” Service of Documents by Electronic Mode**

Esteemed Members may please note that the Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by Companies vide Circular No. 17/2011 dated April 21, 2011 and Circular No. 18/2011 dated April 29, 2011.

In whole-hearted support of the Green Initiative of the MCA, the Company henceforth proposes to send all Notices, Intimations, Documents, Annual Reports, Dividend ECS Intimation etc. required to be sent to members from time to time in electronic form to the e-mail addresses registered with the Company or with the member's respective Depository Participant.

To facilitate an advance opportunity to members for registering their e-mail address, one Mandate Form is printed overleaf. Members are requested to fill up the details in overleaf Form and send the same to their respective Depository Participant (in case shares held in Dematerialized form) and to Company/ RTA (in case shares held in Physical form). Members are also advised to keep their email address updated from time to time, as the same e-mail address will be used by the Company to send all Notices, Intimations, Documents, Annual Reports etc. required to be sent to members from time to time.

The "Green Initiative" will not only contribute towards Greener Environment by reducing paper use and saving trees but also ensure timely delivery of Notices, Intimations, Documents, Annual Reports and other Communications etc. without any possibility of delay / loss in postal transit. Therefore, members are requested to make success this initiative by registering their e-mail addresses.

In case Shares held in Physical Mode, please send at the following address:

#### **Link Intime India Pvt. Ltd.**

(Unit: Fiem Industries Ltd.)

A-40, 2<sup>nd</sup> Floor,

Naraina Industrial Area, Phase-II

Near Batra Banquet Hall

New Delhi-110028

## “GREEN INITIATIVE”

### (A) Mandate Form for Electronic Communication

I / We hereby authorize you to register/update the following e-mail address for sending the all shareholder communication and Annual Reports to me/us in electronic mode:

Name of First / Sole Shareholder	
DP ID & Client ID / Folio	
E-Mail ID	

I/We will keep the Company/RTA or DP informed as and when there is a change in my e-mail address.

**Signature of Shareholder**

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### (B) Mandate Form for Direct Credit of Dividend in Bank Account

(This is Applicable only for shares held in physical mode. For shares held in demat mode, the Bank Details with DP will be used for payment of Dividend).

I / We hereby authorize you to credit my / our dividend amount directly into my Bank Account:

Name of First / Sole Shareholder	
Folio No.	
Name of the Bank	
Address of Branch	
Account No.	
Account Type (Saving/current)	
9 Digit MICR code	
IFSC Code	

I am also enclosing the photocopy of Cheque/ Cancelled Cheque for verifying the details furnished above.

**Signature of Shareholder**

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## GENERAL INFORMATION

### BOARD OF DIRECTORS

Mr. J.K. Jain	- Chairman & Managing Director
Mrs. Seema Jain	- Whole-time Director
Mr. J.S.S. Rao	- Whole-time Director
Mr. Kashi Ram Yadav	- Whole-time Director
Ms. Aanchal Jain	- Whole-time Director
Mr. Rahul Jain	- Non-Executive Director
Mr. C.D. Shah	- Independent Director
Mr. Iqbal Singh	- Independent Director
Mr. Charoen Sachamuneewongse	- Independent Director
Mr. C.S. Kothari	- Independent Director
Mr. P.S. Bhatia	- Independent Director (up to 30.04.2010)
Mr. Amitabh Prakash Agrawal	- Independent Director (w.e.f. 01.08.2010)
Mr. J. S. Chandhok	- Independent Director (up to 03.08.2011)
Mr. V. K. Malhotra	- Independent Director (w.e.f. 04.08.2011)

### CHIEF FINANCIAL OFFICER

Mr. O.P. Gupta

### COMPANY SECRETARY AND COMPLIANCE OFFICER

Arvind K. Chauhan

### AUDIT COMMITTEE

Mr. C.S. Kothari	- Member /Chairman
Mr. P.S. Bhatia	- Member (up to 30.04.2010)
Mr. Iqbal Singh	- Member (w.e.f. 01.05.2010)
Mr. J. S. Chandhok	- Member/Chairman (up to 03.08.2011)
Mr. V. K. Malhotra	- Member (w.e.f. 04.08.2011)

### SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE

Mr. C.S. Kothari	- Chairman
Mr. Kashi Ram Yadav	- Member
Mr. Rahul Jain	- Member

### REMUNERATION COMMITTEE

Mr. C.S. Kothari	- Chairman
Mr. Iqbal Singh	- Member
Mr. P.S. Bhatia	- Member (up to 30.04.2010)
Mr. J. S. Chandhok	- Member (from 01.05.2010 to 03.08.2011)
Mr. V.K. Malhotra	- Member (w.e.f. 04.08.2011)

### AUDITORS

M/s Anil S. Gupta & Associates  
201, Vikram Tower, 16 Rajendra Place, New Delhi-110008

### REGISTERED OFFICE

D-34, DSIDC Packaging Complex  
Kirti Nagar, New Delhi-110015

### CORPORATE OFFICE & UNIT VII

Plot No. 1915, Rai Industrial Estate, Phase - V  
Distt. Sonapat, Haryana -131029

Website: [www.fieminustries.com](http://www.fieminustries.com)

### PRINCIPAL BANKERS

CITI Bank N.A.  
Standard Chartered Bank  
State Bank of Patiala  
Axis Bank Ltd.

### REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.  
(Formerly, Intime Spectrum Registry Limited)  
2<sup>nd</sup> Floor, A-40, Naraina Industrial Area, Phase-II, New Delhi-110028  
Ph: 011-41410592/93/94 Fax No: 011-41410591

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd Annual General Meeting of the Company will be held on Friday the 30th day of September 2011 at 10.00 A.M. at Mithas Motel & Resort, 92/16, G.T. Karnal Road, Alipur, New Delhi-110036, to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as on 31st March 2011 and Profit & Loss Account for the period ended on that date together with Directors' Report and Statutory Auditor's Report thereon.
2. To declare dividend on the Equity Shares of the Company for the financial year 2010-11.
3. To appoint a Director in place of Mr. Chatter Singh Kothari, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. J.S.S. Rao, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Charoen Sachamuneewongse, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Iqbal Singh, who retires by rotation and being eligible, offers himself for re-appointment.
7. To re-appoint M/s Anil S. Gupta & Associates, Chartered Accountants as statutory auditors and to fix their remuneration 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 section 224 and other applicable provisions of the Companies Act, 1956, M/s Anil S. Gupta & Associates, Chartered Accountants, be and are hereby re-appointed as statutory auditors of the Company to hold the office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and the remuneration of the Auditors shall be fixed by the Board of Directors of the Company."

### SPECIAL BUSINESS:

#### 8. Appointment of Mr. Vinod Kumar Malhotra as Director of the Company.

**To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** Mr. Vinod Kumar Malhotra, who was appointed as Additional Director by the Board of Directors of the Company w.e.f. 04.08.2011 pursuant to section 260 and other applicable provisions of the Companies Act, 1956 and Articles of Association of the Company and who being the Additional Director hold the office up to this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member as required under section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

#### 9. Re-appointment of Mr. Kashi Ram Yadav as Whole-time Director of the Company.

**To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 269, 198, 309, 310, 311 and Schedule XIII read with other applicable provisions of the Companies Act, 1956 (including any statutory modification and re-enactment thereof) and in terms of Articles of Association of the Company and as recommended by the Remuneration Committee and approved by

the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Kashi Ram Yadav, as Whole-time Director of the Company w.e.f. 25<sup>th</sup> October, 2011 for a period of three years i.e. up to 24<sup>th</sup> October 2014 on the remuneration and terms and conditions as mentioned hereunder:

#### (a) Salary-

Rs. 2,50,000/- (Rs. Two Lac Fifty Thousand only) per month.

#### (b) Other Benefits, Perquisites & Allowances-

In addition to salary, he will be entitled to:

1. Contribution to Provident Fund, Bonus, Medical Insurance, Personal Accident Policy and such other perquisites/ allowances in accordance with the rules of the Company or as decided by the Board or any Committee thereof.
2. Company provided car with driver facility.
3. Leave Encashment and Gratuity in accordance with the rules of the Company and as per Payment of Gratuity Act.
4. Telephone / Mobile phone facility.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to alter or vary the terms of appointment or revise the remuneration of Mr. Kashi Ram Yadav, as it may deem fit from time to time, so that remuneration payable shall not exceed the permissible limits under section 198, 309, 310 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification and re-enactment thereof).

**RESOLVED FURTHER THAT** in case of no profits or inadequate profits in any financial year, the remuneration or revised remuneration as mentioned above payable to Mr. Kashi Ram Yadav will be paid to him as minimum remuneration as permissible in Schedule XIII read with other applicable provisions of the Companies Act, 1956.

**RESOLVED FURTHER THAT** Mr. Kashi Ram Yadav shall be liable to retire by rotation within the meaning of section 255 and 256 of the Companies Act, 1956.

**RESOLVED FURTHER THAT** Managing Director or Company Secretary of the Company be and are hereby severally authorized to file the necessary forms, returns and to do all such acts, things and deeds necessary and incidental to give effect to this resolution."

#### 10. Re-appointment of Mr. J.S.S. Rao as Whole-time Director of the Company.

**To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 269, 198, 309, 310, 311 and Schedule XIII read with other applicable provisions of the Companies Act, 1956 (including any statutory modification and re-enactment thereof) and in terms of Articles of Association of the Company and as recommended by the Remuneration Committee and approved by the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. J.S.S. Rao, as Whole-time Director of the Company w.e.f. 1<sup>st</sup> December, 2011 for a period of three years i.e. up to 30<sup>th</sup> November, 2014 on the remuneration and terms and conditions as mentioned hereunder:

(a) **Salary-**

Rs. 2,50,000/- (Rs. Two Lac Fifty Thousand only) per month.

(b) **Other Benefits, Perquisites & Allowances-**

In addition to salary, he will be entitled to:

1. Medical Insurance, Personal Accident Policy and such other perquisites/ allowances in accordance with the rules of the Company or as decided by the Board or any Committee thereof.
2. Company provided car with driver facility.
3. Leave Encashment and Gratuity in accordance with the rules of the Company and as per Payment of Gratuity Act.
4. Telephone / Mobile phone facility.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to alter or vary the terms of appointment or revise the remuneration of Mr. J.S.S. Rao, as it may deem fit from time to time, so that remuneration payable shall not exceed the permissible limits under section 198,309,310 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification and re-enactment thereof).

**RESOLVED FURTHER THAT** in case of no profits or inadequate profits in any financial year, the remuneration or revised remuneration as mentioned above payable to Mr. J.S.S. Rao will be paid to him as minimum remuneration as permissible in Schedule XIII read with other applicable provisions of the Companies Act, 1956.

**RESOLVED FURTHER THAT** Mr. J.S.S. Rao shall be liable to retire by rotation within the meaning of section 255 and 256 of the Companies Act, 1956.

**RESOLVED FURTHER THAT** Managing Director or Company Secretary of the Company be and are hereby severally authorized to file the necessary forms, returns and to do all such acts, things and deeds necessary and incidental to give effect to this resolution."

**By Order of the Board  
For Fiem Industries Limited**

**-Sd-**

**Arvind K. Chauhan  
Company Secretary**

Place : Rai, Sonapat (HR.)

Date : 19.08.2011

**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint proxy(ies) to attend and vote on a poll instead of himself/ herself and the proxy(ies) need not be a member of the company. The instrument appointing the proxy(ies), in order to be effective must be received at the registered office of the company not less than forty-eight hours before the scheduled time for commencement of the meeting. Blank proxy form is enclosed with the Notice.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In terms of the Articles of Association read with Section 255 and 256 of the Companies Act, 1956, Mr. Chatter Singh Kothari, Mr. J.S.S. Rao, Mr. Charoen Sachamuneewongse and Mr. Iqbal Singh, Directors are liable to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Further, resolution

proposing appointment of Mr. Vinod Kumar Malhotra as Director and resolutions for re-appointment of Mr. Kashi Ram Yadav and Mr. J.S.S. Rao as Whole-time Directors to be considered in ensuing Annual General Meeting. Brief resume of all these Directors, nature of their expertise in specific functional areas, their shareholding in the Company, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are annexed to the Notice and provided in the Report on Corporate Governance forming part of the Annual Report. Shareholders are requested to refer the Notice and Report on Corporate Governance for these information. The Board of Directors of the Company commends their respective re-appointments/ appointments.

4. **An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Special Business to be transacted at the Meeting is annexed hereto.**

5. Members are requested to bring their Attendance Slip at the venue of the Meeting.

6. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

7. 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. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

9. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 24, 2011 to Friday, September 30, 2011 (both days inclusive) for the purpose of the Annual General Meeting and Dividend.

10. The Board has recommended a Final dividend at the rate of 25% (Rs. 2.50 per Share) on the equity shares of the Company. The dividend, if declared by the members at the said Annual General Meeting, will be payable to the members as follows:

a. In case of members holding shares in physical form, whose names appear on the Register of Members of the Company as on September 30, 2011 (after giving effect all the valid transfer received to the Company/RTA on or before 24.09.2011).

b. In respect of shares held in electronic form, to those members whose names appear as beneficial owners as at the closure of the business hours on September 23, 2011 as per details to be furnished by the depositories.

11. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send the share certificates to the Company's Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd. (formerly, Intime Spectrum Registry Limited) for consolidation into a single folio.

12. Under section 109A of the Companies Act, 1956 members are entitled to make nomination in respect of shares held by them in physical mode. Members desirous of making nominations are requested to send their request in Form 2B of the Companies (Central Government's) General Rules & Forms, 1956 in duplicate to the Company's Registrar & Transfer Agent.

13. Members holding shares in dematerialized mode are advised to intimate all changes pertaining to their bank details, ECS mandate, nominations,

power of attorney, address etc. to their depository participant only and not to the Company or its Registrar & Transfer Agent. Members holding shares in physical form are advised to submit particulars of bank account, viz., name and address of the Branch of the Bank, 9 digit MICR code of the branch, type of account and account no. to the Company's Registrar & Transfer Agent.

14. **Investors are requested to note that consequent to amendment in section 205A and introduction of section 205C of the Companies Act, 1956, the amount of dividend, which remains unclaimed or unpaid for a period of seven years from the date of transfer of the same in Unpaid Dividend Account, shall be transferred in Investor Education and Protection Fund as provided under section 205C. Once the amount transferred in said Fund, investor will not be able to claim the dividend and no**

**claim will lie against the company or the Fund. Therefore investors are reminded to claim their unpaid/ unclaimed dividend for the previous financial years 2006-07, 2007-08, 2008-09 and 2009-10.**

15. Non-Resident Indian Members are requested to inform the Company's Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd (formerly, Intime Spectrum Registry Limited), immediately of:
- a) Change in their Residential status on return to India for permanent settlement.
  - b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.

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

**Item 8. Appointment of Mr. Vinod Kumar Malhotra as Director of the Company.**

Mr. Vinod Kumar Malhotra was appointed as Additional Director of the Company w.e.f. 04.08.2011 by the Board of Directors in their meeting held on 03.08.2011. He was appointed as Independent Director of the Company. He is a Commerce graduate and running his own business with a rich experience of more than 20 years. The Board considers that his experience will benefit the Company. Being an Additional Director he hold the office up to ensuing Annual General Meeting. As the Board has appointed him for a long-term purpose, therefore his appointment as a Director is being proposed in ensuing Annual General Meeting. The Company has received a Notice under section 257 of the Companies Act, 1956 proposing his candidature as Director.

Mr. Vinod Kumar Malhotra doesn't hold any Shares in the Company. Further, he is not related to any other Director of the Company.

Except Mr. Vinod Kumar Malhotra himself, none of the other Director is interested in above resolution.

Your Directors commend this resolution for your approval as Ordinary Resolution.

**Item 9. Re-appointment of Mr. Kashi Ram Yadav as Whole-time Director of the Company.**

Mr. Kashi Ram Yadav was appointed as Whole-time Director of the Company w.e.f. 25.10.2008 for a period of three years and his current tenure is due for completion on 24.10.2011. He is looking after manufacturing operations of all factories of Company situated in North India. He is having a rich experience of more than 32 years in the field of production and manufacturing operations of the Automotive Lightings, Signalling Equipments and Rear View Mirrors. He is associated with the Company for more than 20 years. As the Company is growing with a decent rate and with the increase in operations of the Company his duties and responsibilities have increased significantly. Considering above, the Remuneration Committee and the Board felt it necessary to keep continue his services as Director (Operations-North). Therefore, in the respective meetings held on 19.08.2011, the Remuneration Committee recommended his re-appointment on the same remuneration and the Board of Directors re-appointed him as Whole-time Director for another term of three years w.e.f. 25.10.2011 subject to approval of the members of the Company.

Mr. Kashi Ram Yadav holds 338 Shares in the Company. Further, he is not related to any other Director of the Company.

Except Mr. Kashi Ram Yadav himself, none of the other Director is interested in above resolution.

As the remuneration to Mr. Kashi Ram Yadav as Whole-time Director is as per provisions of Schedule XIII of the Companies

Act, 1956 read with other applicable provisions of the Companies Act, 1956, hence the other required information are also annexed to this Explanatory Statement and Notice.

Your Directors recommend this resolution for your approval as Special Resolution.

**Item 10. Re-appointment of Mr. J.S.S. Rao as Whole-time Director of the Company.**

Mr. J.S.S. Rao was re-appointed as Whole-time Director of the Company w.e.f. 01.12.2008 for a period of three years and his current tenure is due for completion on 30.11.2011. He is looking after manufacturing operations of all factories situated in South India and also responsible for overseas operations of the Company. He is having a rich experience of around 3 decades in the field of production, manufacturing operations, strategic affairs in the Auto Component Industry. He is associated with the Company since 2003. As the Company is growing with a decent rate and with the increase in operations of the Company his duties and responsibilities have increased significantly. Considering above, the Remuneration Committee and the Board felt it necessary to keep continue his services as Director (Operations-South & Overseas). Therefore, in the respective meetings held on 19.08.2011, the Remuneration Committee recommended his re-appointment on the same remuneration and the Board of Directors re-appointed him as Whole-time Director for another term of three years w.e.f. 01.12.2011 subject to approval of the members of the Company.

Mr. J.S.S. Rao holds 12 Shares in the Company. Further, he is not related to any other Director of the Company.

Except Mr. J.S.S. Rao himself, none of the other Director is interested in above resolution.

As the remuneration to Mr. J.S.S. Rao as Whole-time Director is as per provisions of Schedule XIII of the Companies Act, 1956 read with other applicable provisions of the Companies Act, 1956, hence the other required information are also annexed to this Explanatory Statement and Notice.

Your Directors recommend this resolution for your approval as Special Resolution.

**The explanatory statement together with Notice and other annexed information are to be treated as abstracts of the change in terms of the appointment and Memorandum of concern or interest about Mr. Kashi Ram Yadav and Mr. J.S.S. Rao pursuant to Section 302 of the Companies Act, 1956.**

**By Order of the Board  
For Fiem Industries Limited,**

**-Sd-**

**Arvind K. Chauhan  
Company Secretary**

Place : Rai, Sonapat (HR.)  
Date : 19.08.2011



**-ANNEXURE**

Information pursuant to Clause I(B) of Section II of Part II of Schedule XIII to the Companies Act, 1956 in connection with re-appointment of Mr. Kashi Ram Yadav and Mr. J.S.S. Rao as Whole-time Directors of the Company:

- (i) The remuneration of both these whole-time directors on their re-appointment has been approved by the resolutions passed by the Remuneration Committee.
- (ii) The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of thirty days in the preceding financial year before the date(s) of re-appointment of above whole-time directors.
- (iii) The re-appointment of both these whole time directors is for three years at one time and proposed to be approved by way of special resolutions.
- (iv) **Statement pursuant to proviso to Clause I(B) (iv) of Section II of Part II of Schedule XIII to the Companies Act, 1956 in connection with re-appointment of above whole-time directors of the Company is as under:**

<b>I. GENERAL INFORMATION:</b>					
(1)	Nature of Industry	Auto Components: manufacturing of Automotive Lighting, Signalling Equipments, Rear View Mirrors and Sheet Metal Components etc.			
(2)	Date or expected date of commencement of commercial production:	The Company is already in operations since the year of incorporation i.e. 1989 and Commercial Production had started in that year.			
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable, as the Company is already in operations.			
(4)	Financial performance based on given indicators.	<b>Particulars</b>	<b>FY 2010-11</b>	<b>FY 2009-10</b>	<b>Change (+/-)</b>
		Net Sales (Rs. Crore)	417.29	294.19	+41.84%
		PAT (Rs. Crore)	11.43	10.75	+6.33%
		PAT/Net Sales	2.73%	3.65%	-0.92%
(5)	Export performance and net foreign exchange collaborations.	The Company don't have any net foreign exchange collaboration. The Export Sale on FOB value was Rs. 12.48 Crore during FY 2010-11 and Rs. 12.72 Crore during FY 2009-10.			
(6)	Foreign Investments or collaborators, if any.	The Company has Technical Support Agreement with Ichikoh Industries Limited of Japan.			

<b>II. INFORMATION ABOUT THE APPOINTEE(S):</b>		
<b>I. Mr. Kashi Ram Yadav</b>		
(1)	Background Details	Mr. Kashi Ram Yadav is having a rich experience of more than 32 years in the field of production and manufacturing operations of the Automotive Lightings, Signalling Equipments and Rear View Mirrors etc. He is looking after manufacturing operations of all factories of Company situated in North India and is associated with the Company for more than 20 years and remained instrumental in establishing the new factories of the Company.
(2)	Past Remuneration	Since April 1, 2008 Rs. 2,50,000/- per month with other benefits.
(3)	Recognition & Awards	Nil.
(4)	Job profile and his suitability	Mr. Kashi Ram Yadav is having a rich experience of more than 32 years in the field of production and manufacturing operations of the Automotive Lightings, Signalling Equipments and Rear View Mirrors etc. He is associated with the Company for more than 20 years. As the Company is growing with a decent rate and with the increase in operations of the Company his duties and responsibilities have increased significantly. Considering his job profile and growing operations of the Company, Board felt him most suitable for the job and considered it fit and right to keep continue his services as Director (Operations-North).
(5)	Remuneration Proposed	As per Resolution in the Notice for Annual General Meeting.
(6)	Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person.	The Company operates in Automotive Lighting and Mirrors segment of the Auto components Industry. Information about remuneration of Whole-time Directors of other companies of <b>comparable size</b> is not available in public domain. Hence no information could be provided in this regard.

(7)	Pecuniary relationship directly or indirectly with the Company, relationship with the managerial personnel, if any.	Except his remuneration as Whole-time Director, Mr. Kashi Ram Yadav has no pecuniary relationship with the Company. He holds 338 Shares in the Company and he is not related to any other managerial personnel of the Company. The financial details related to these are disclosed under "Related Party Disclosure" in the Financial Statements of each year's Annual Report.
<b>2. Mr. J.S.S. Rao</b>		
(1)	Background Details	Mr. J.S.S. Rao is a post graduate with specialisation in cost accounting and factory organisation. He has around 30 years rich experience in auto component industry in the field of operations, marketing and strategic planning. Prior to joining in Fiem Industries Ltd., he has worked in Lumax Industries Ltd. and Evershine Moulders Ltd. etc.
(2)	Past Remuneration	Since 1 <sup>st</sup> December, 2008 Rs. 2,50,000/- per month.
(3)	Recognition & Awards	Nil
(4)	Job profile and his suitability	Mr. J.S.S. Rao is having a rich experience of around 30 years in auto component industry in the field of operations, marketing and strategic planning. He has a vast and multifarious experience in the auto component industry. Since his joining in the Company, he is part of the senior management of the Company and looking after strategic, business development and overseas affairs of the Company in addition to devoting his time in manufacturing operations of the Company. Currently he is looking after South India units of the Company situated in Hosur and Mysore and also seeing overseas affairs. Considering his job profile and growing operations of the Company, Board felt him most suitable for the job and considered it fit and right to keep continue his services as Director (Operations- South & Overseas).
(5)	Remuneration Proposed	As per Resolution in the Notice of the Annual General Meeting.
(6)	Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person.	The Company operates in Automotive Lighting and Mirrors segment of the Auto components Industry. Information about remuneration of Whole-time Directors of other companies of comparable size is not available in public domain. Hence no information could be provided in this regard.
(7)	Pecuniary relationship directly or indirectly with the Company, relationship with the managerial personnel, if any.	Mr. J.S.S. Rao don't have any pecuniary relationship with the Company except as his remuneration as Whole-time Director. Further, he holds 12 shares in the Company. The financial details related to these are disclosed under "Related Party Disclosure" in the Financial Statements of each year's Annual Report.
<b>III. OTHER INFORMATION:</b>		
(1)	Reason for loss or inadequacy of the profits	There are no losses in the Company and the Company is earning profits. However, the total Managerial Remuneration is exceeding the 10% of profits of Financial Year (FY) 2010-11 calculated under section 349 & 350 read with section 198 of the Companies Act, 1956. Consequent to that, the Remuneration payable to these Whole-time Directors come under Clause 1(B) of Section II of Part II of Schedule XIII to the Companies Act, 1956. Hence the information required under this clause are being provided.
(2)	Steps taken or proposed to be taken for improvement.	The Company is growing with a decent growth rate because of hard work and prudent decisions of the Management of the Company. With the increase in existing operations, the management is also exploring new growth opportunities in LED based lighting. On Operational front, the Company is increasing its manufacturing capabilities and has established Unit-VII at Rai, Sonapat and Unit-VIII at Tapukara in Rajasthan. Further, the Company is trying to increase its share in replacement market by opening new depots.
(3)	Expected increase in productivity and profits in measurable terms.	The growth in Turnover and Net Profit After Tax (PAT) of the company is expected to increase by 15% to 20% on year on year basis.