



Fiem

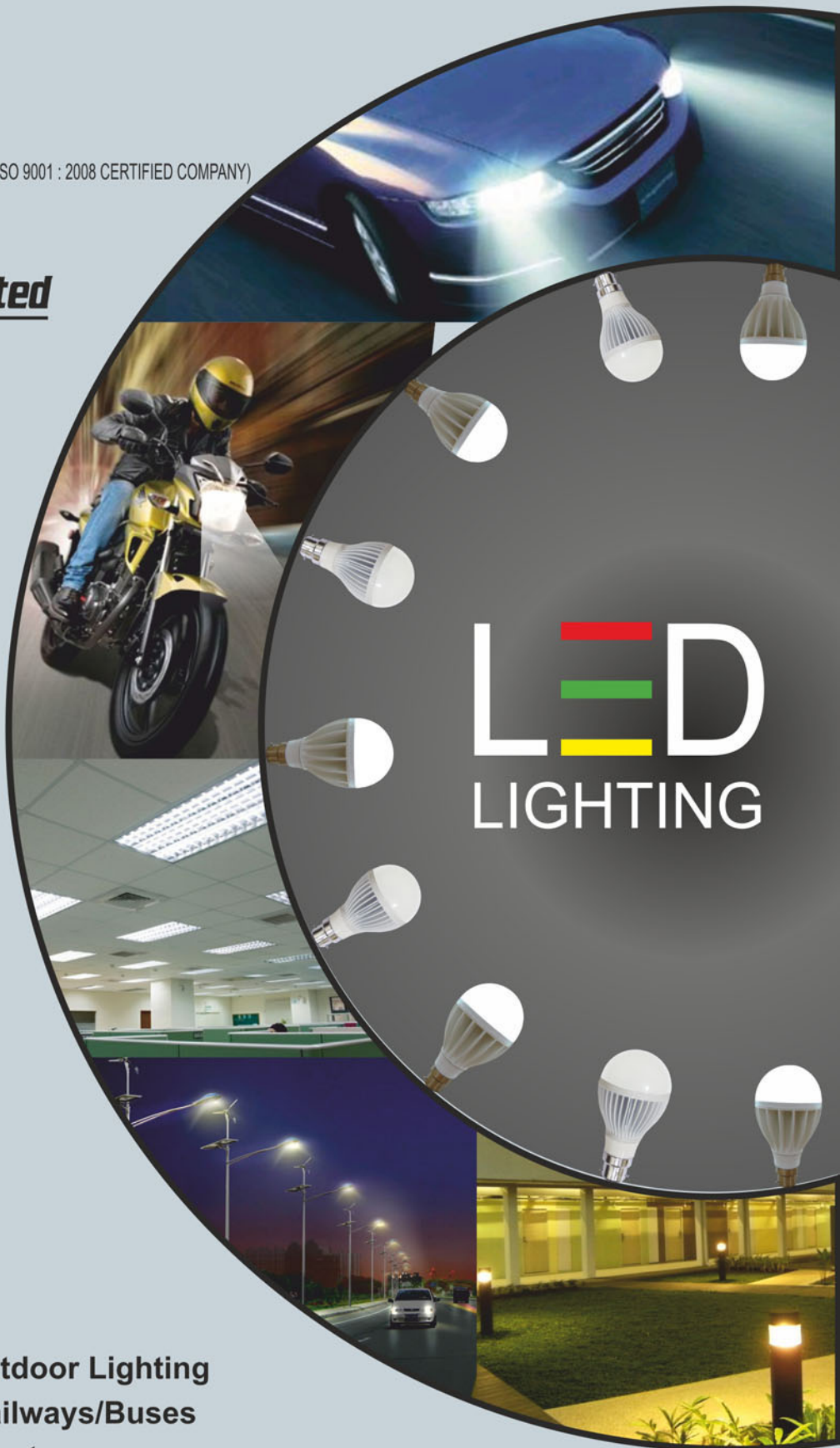
LIGHT UP THE WORLD

(AN ISO/TS 16949 : 2009, ISO 14001 : 2004, OHSAS 18001 : 2007 & ISO 9001 : 2008 CERTIFIED COMPANY)

Fiem Industries Limited

*Annual Report
2012-13*

- Automotive Lighting
- Signalling Equipments
- Rear View Mirrors
- LED Luminaries Indoor & Outdoor Lighting
- Signalling Display Panels-Railways/Buses
- Plastic/Sheet Metal Components



Chairman's Message



Dear Stakeholders,

Amidst the prevalent macro economic uncertainties, your company has continued to add certainty in delivering strong performance over the years. We have grown step-by-step to current position of being the leading OEM supplier of automotive lighting and rear view mirrors. During last 5 years of turbulent economic scenario, your company has grown by a CAGR of more than 22%, demonstrating strong resilience and consistency in its overall performance.

During FY 2012-13, Indian Auto Industry has grown by just 2.04% in sales and 1.20% in production. In more specific terms, passenger vehicle segment has grown by 3.27% in sales, thanks to higher demand in utility vehicles; otherwise cars have shown a negative growth of around 4%. Two-wheeler segment has also grown by just 2.43% in sales. It shows the overall slow growth momentum across the Auto Industry. On this backdrop, your company has registered a decent growth of 12.95% in FY 2012-13 by achieving a net turnover of Rs. 598.88 Crores in comparison to Rs. 530.23 Crores in last year. Profit after tax has also increased from Rs. 21.14 Crores in FY 2011-12 to Rs. 27.31 Crores in FY 2012-13 registering an increase of 29.18%.

While we will continue to solidify our position in Auto-component business by judiciously seizing the strategic growth opportunities and expanding our product portfolio, we have gone in for diversification since last year for manufacturing of **LED Luminaries** for indoor and outdoor applications such as Recess Panels, down lights, spot lights, LED Bulbs & LED Tube Lights, Bay Lights, Flood Lights, Solar based Lantern and Street lights etc.

We have our own Government approved R&D Centre, where our Engineers have developed innovative products including **LED Drivers**, which is **USP of our Company** because it make our LED luminaries most competitive, highly reliable with trouble-free-performance.

It is very encouraging to mention that we have been able to do substantial business from the beginning itself. In the current scenario of electric power crises and continuously increasing power tariff, **the need of the hour is LED Lighting** because of its unique advantages like power saving of about 60% in comparison to CFL, Long Life, Eco Friendly, lowest carbon footprint, mercury free, much better performance etc. Therefore, **the future is for LED technology** and there is no dearth for business for LED lighting in the near future. We have taken pro-active steps with rapid expansion of our product range and strive for big business from Railways, Central & State Government, Metro, Overseas Market etc. This business will bring faster growth to the Company, because now **we will be covering three different market segments of Lighting –Automotive, LED In-door and Out-door and Railways**. We have dedicated plans to keep our expansion programme in the LED area and would like to bring a very large range of products in the near future in order to become a very prominent player in this field.

We believe that LED is the future of lighting technology and it will change the landscape of lighting industry. Globally, LED lighting has been widely accepted in place of incandescent and CFL and emerging as the best environment friendly and most efficient lighting source. Indian LED lighting Industry is at nascent stage and we will convert this opportunity into our growth engine by leveraging Fiem's decades old core competency in lighting, in-house manufacturing, quality and testing facilities supported by a strong brand 'FIEM'.

To derive our growth in high trajectory, we have taken on the responsibility of rewriting the rules of the game and redefine the LED Lighting Industry in India by manufacturing almost all components of LED Luminaire in-house by maintaining stringent quality standards besides effective cost control mechanism. In this way, Fiem's product strategy is focused on quality products at reasonable prices where we have clear and beneficial value proposition.

Despite all macro-economic volatilities, we look at the future with optimism, hence we are further strengthening our capabilities on all fronts whether manufacturing, R&D, testing, quality or marketing. In this new phase of development, we remain fully confident of the growth potential of our business and look forward for your continued support and encouragement for the well being and sustainable growth of the company.

Thanking you,

Dr. J.K. Jain
Chairman & Managing Director



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Energy Saving LED Light



LED Down Light



LED Spot Light



LED Street Light with Solar

LED Luminaires

						
Ceiling Light 2'X2' Prismatic Series	Ceiling Light 2'X2' Diffused Series	Ceiling Light 2'X2' Sparkle Series	Ceiling Light 2'X2' Bangles Series	Ceiling Light 1'X1'	Down Light	
						
Down Light	Spot Light	LED Multifunction Flash Light	Surface Down Light	Highbay Light	LED Bulb	
						
LED Tube Light	Solar Lantern	Flood Light	Street Light	Solar Street Light	Garden Light	Bollard





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FIEM LED DISPLAY PANELS & SIGNALLING FOR RAILWAYS





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Foray into LED Lighting



FIEM, with over 4 decade of experience in the Lighting, have decided thoughtfully to enter in the foray of manufacturing of LED Luminaires.

The diversification in the field of LED Luminaires have practically helped us to make best use of our enriched knowledge of Lighting technology and leverage our best in class manufacturing, quality & testing facilities besides the modern infrastructure available with us.

The manufacturing activities which had started during FY 2011-12 are fully geared-up during the FY 2012-13 and with large range of products have yielded good business during the year.

In view of the fact that LED Luminaires consumes very less Electricity in comparison to incandescent and CFL, by use of the LED lighting, substantial power can be saved. The Government understand very well that the 'power saved is power generated'. With this premise, Government is wholeheartedly supporting and encouraging the usage of LED in Lighting application among general consumers besides also largely introducing LED Lighting in their own Departments and Establishments.

The requirement of power for Lighting application alone need nearly 20% in India in comparison to the international average of 12-15%. Therefore in India, the LED Lighting will emerge as a major factor in curtailing the demand of power and will prove an effective solution for the power crises by bringing down the power consumption in Lighting.





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Expertise for Changing Times



Common 60W Incandescent Bulb
uses 60W per Bulb for 800 Lumen
1 bulb lasts 1,200 hrs
20 years = 21 bulb



Common 14W CFL Bulb
uses 14W per Bulb for 800 Lumen
1 bulb lasts 10,000 hrs
20 years = 3 CFL bulb



Fiem 9 W Ambient LED Bulb
uses 9 W per Bulb for 850 Lumen
1 bulb lasts 25,000 hrs
20 years = 1 led bulb

LED Lighting is going to be future of Lighting Industry and will create enormous potential of growth. We have already ventured into LED Lighting to convert this potential into big business opportunity. Our R&D Department is actively working on new development for introducing High Power LED Lighting, LED Lighting, and Intelligent LED Lighting.

We have already launched following LED based Lighting products for indoor and outdoor applications which are receiving encouraging response from through out the length and breadth of the country:

- LED Bulbs & LED Tube Lights
- Flood Lights & Street Lights
- Solar based Lantern and Street lights
- Down lights
- Bollards
- Garden Lights
- Spot lights
- Bay Lights etc.
- Recess Panels



Apart from the above products, we have also developed complete LED display panel/ system for Railways, Metros, Taxies which have a very large potential in the near future.

We are already supplying LED Display System for Bus Manufacturers, State Transport Corporation, School and Educational institutions.

The real strength of our company is that we manufacture all the components of LED Luminaires including LED driver in House. We are fully equipped for all Plastic Parts, Sheet Metal Parts, Optical design etc. and only LED is outsourced by us. This help us to meet our strategy, which is focused on supply of best quality products at right price.

GO LED



GO GREEN

Switch to LED
& SAVE UP TO 80%
on your electricity
lighting bills!



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GENERAL INFORMATION

BOARD OF DIRECTORS

Dr. 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	- Whole-time Director (w.e.f. 01.10.2012)
Mr. Iqbal Singh	- Independent Director
Mr. Charoen Sachamuneewongse	- Independent Director
Mr. C.S. Kothari	- Independent Director
Mr. Amitabh Prakash Agrawal	- Independent Director
Mr. V. K. Malhotra	- Independent Director
Mr. C.D. Shah	- Independent Director (up to 13.09.2012)
Mr. S.K. Jain	- Independent Director (w.e.f. 09.11.2012)

CHIEF FINANCIAL OFFICER

Mr. O.P. Gupta

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Arvind K. Chauhan

AUDIT COMMITTEE

Mr. S. K. Jain	- Member /Chairman (w.e.f. 09.11.2012)
Mr. C. S. Kothari	- Member
Mr. V. K. Malhotra	- Member
Mr. Iqbal Singh	- Member (up to 08.11.2012)

REMUNERATION COMMITTEE

Mr. C.S. Kothari	- Chairman
Mr. Iqbal Singh	- Member
Mr. V. K. Malhotra	- Member

SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE

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

STATUTORY 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

COST AUDITORS

Mr. Krishan Singh Berk
365, Sector 15,
Faridabad 121007, Haryana

CORPORATE OFFICE & UNIT VII

Plot No. 1915, Rai Industrial Estate, Phase - V,
Distt. Sonapat, Haryana -131029
Website: www.fieminindustries.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.
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR Naraina, New Delhi-110028
Ph: 011-41410592/93/94 Fax No: 011-41410591

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of the Company will be held on Monday, the 23rd day of September 2013 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 2013 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 2012-13.
3. To appoint a Director in place of Mr. Iqbal Singh who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Charoen Sachamuneewongse, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Vinod Kumar Malhotra, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr. Chatter Singh Kothari, 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. Subodh Kumar Jain 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. Subodh Kumar Jain, who was appointed as Additional Director by the Board of Directors of the Company w.e.f. 09.11.2012 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 Mrs. Seema Jain 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 provisions of sections 198,269,309,310 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification or 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, approval of the members be and is hereby accorded to the re-appointment of Mrs. Seema Jain as Whole-time Director of the Company w.e.f. 01.04.2014 for a period of three years on the revised remuneration, mentioned as under:

(a) Revised Salary-

Rs. 3,00,000/- (Rupees Three Lac) per month.

(b) Other Benefits, Perquisites & Allowances-

In addition to the Salary, she 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 authorized to alter or vary the terms of appointment or revise the remuneration of Mrs. Seema Jain, 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 Mrs. Seema Jain will be paid to her as minimum remuneration as permissible in Schedule XIII read with other applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT Mrs. Seema Jain 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 and 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 Ms. Aanchal Jain 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 provisions of sections 198,269,309,310 and 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 (including any statutory modification or 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, approval of the members be and is hereby accorded to the re-appointment of Ms. Aanchal Jain as Whole-time Director of the Company w.e.f. 01.04.2014 for a period of three years on the revised remuneration, mentioned as under:

(a) Revised Salary-

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

(b) Other Benefits, Perquisites & Allowances-

In addition to the Salary, she 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 authorized to alter or vary the terms of appointment or revise the remuneration of Ms. Aanchal Jain, 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 Ms. Aanchal Jain will be paid to her as minimum remuneration as permissible in Schedule XIII read with other applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT Ms. Aanchal Jain 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 and 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."

11. Increase in Remuneration of Mr. Kashi Ram Yadav, 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 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, approval of the members be and is hereby accorded to the increase in remuneration of Mr. Kashi Ram Yadav w.e.f. 1st April, 2013 for the remaining period of his current tenure as Whole-time Director i.e. up to 24th October 2014 as mentioned hereunder:

(a) Revised Salary-

Rs. 5,50,000/- (Rupees Five Lac Fifty thousand) 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 authorized 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 and 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."

12. Increase in Remuneration of Mr. J.S.S. Rao, 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 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, approval of the members be and is hereby accorded to the increase in remuneration of Mr. J.S.S. Rao w.e.f. 1st April, 2013 for the remaining period of his current tenure as Whole-time Director i.e. up to 30th November, 2014 as mentioned hereunder:

(a) Revised Salary-

Rs. 5,50,000/- (Rupees Five Lac Fifty thousand) 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 authorized 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 and 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 : 12.08.2013**