



# R M MOHITE

INDUSTRIES LTD.



*21<sup>st</sup>* Annual Report 2011-2012



HYDRO POWER



TEXTILE

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# CORPORATE INFORMATION

## BOARD OF DIRECTOR

### CHAIRMAN & MANAGING DIRECTOR

Mr. Shivaji R. Mohite  
(w.e.f. 01/10/2011)

### JT. MANAGING DIRECTOR

Mrs. Monika S. Mohite

### DIRECTORS

CA. Vijay M. Navandhar  
(up to 26/11/2011)

Mr. Sanjay D. Patil

Mr. Rajendra P. Kinkar  
(up to 26/11/2011)

Mr. Dhiraj S. Patil

### ADDITIONAL DIRECTORS

CA. Neehal M. Pathan  
(w.e.f 22/06/2012)

Mr. Ranjeet D. Patil  
(w.e.f 22/06/2012)

### COMPANY SECRETARY

CS. Sachin G. Bidkar

### AUDITORS

#### Moreshwar G. Deshpande

Chartered Accountants  
F-2, Mayureshwar Appt.  
City High School Road,  
Sangli 416416

### INTERNAL AUDITORS

#### Kunte & Chaugule

Chartered Accountants  
Ayodhya Tower, 2<sup>nd</sup> Floor,  
Station Road, Kolhapur - 416 001

### BANKERS

Bank of Baroda  
IDBI Bank Ltd.  
State Bank of India

### REGISTERED OFFICE

R. S. No. 347, Ambapwadi Phata,  
N. H. 4, Vadgaon, Tal. Hatkanangale,  
Dist - Kolhapur INDIA 416 112  
Phone : +91 - 230 - 2471230  
Fax : +91 - 230 - 2471229

### SPINNING PROJECT

R. S. No. 347, Ambapwadi Phata,  
N. H. 4, Vadgaon, Tal. Hatkanangale,  
Dist - Kolhapur.

### HYDRO POWER PROJECTS

#### Existing Project -

Dam foot Radhanagari Dam,  
A/p: - Fejiwade, Tal :- Radhanagari,  
Dist - Kolhapur.

#### Project under construction -

Ambai Hydro Power Project  
Ambai Exit,  
A/p- Ambai, Tal – Radhanagari  
Dist- Kolhapur.



# Notice

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Shareholders of R. M. MOHITE INDUSTRIES LIMITED Will be held on Saturday, 29<sup>th</sup> September 2012 at 11.30 a. m. at Registered Office of the Company situated at R. S. No. 347, Ambapwadi Phata, N H. 4, Vadgaon-416112, Dist- Kolhapur, to transact the following business:-

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31, March, 2012 and the Profit and Loss Account for the year ended on that date together with the Auditors' Report and Directors' Report thereon.
2. To appoint a Director in place of Mr. Dhiraj S. Patil, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sanjay D. Patil, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

## SPECIAL BUSINESS :

- 5 To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :  
  
“RESOLVED THAT Mr. Neehal M. Pathan, who was appointed as an Additional Director of the Company with effect from 22/06/2012 and who holds office upto the date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom under Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation”.
- 6 To consider and thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :  
  
“RESOLVED THAT Mr. Ranjeet D. Patil, who was appointed as an Additional Director of the Company with effect from 22/06/2012 and who holds office upto the date of the Annual General Meeting under Section 260 of the Companies Act, 1956 and in respect of whom under Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company liable to retire by rotation”.
- 7 To consider and thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:



“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Shri Abhay S. Bhide, CEO of the Company as “Whole Time Director” as Executive Director of the Company for the period of Five years with effect from 01st October, 2012 to 30<sup>th</sup> September, 2017 at a remuneration described below

**Salary :**

- a) Monthly salary of ₹ 1,25,000/- (Rs. One Lakh Twenty Five Thousand Only)

**Perquisites :**

In addition to the aforesaid salary the Whole Time Director shall be entitled to the following perquisites :

- 1) Car for official as well as for personal purposes and all expenses for the maintenance, running and upkeep of the Motor Car for business purpose to be borne and paid by the company.
- 2) Mobile Phone and all charges including rental being paid by the company in full.
- 3) Leave at the rate of one month for every Eleven months of service. Leave not availed of may be encashed at the end of the tenure.
- 4) Such other benefits or amenities as may be applicable to other Senior Executives of the company.

Perquisites, if availed, shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. The total cost for the Company on account of the perquisites shall not exceed 50 % of salary. The Board of Directors subject to approval by Remuneration Committee shall have the powers to vary the above terms and conditions. Provided however that the total remuneration shall not exceed the limits prescribed under limits specified in Part II of Schedule XIII to the Companies Act, 1956.”

**RESOLVED FURTHER THAT** Mr. Shivaji R. Mohite, Chairman & Managing Director of the Company be and is hereby authorized to sign and file the necessary forms prescribed under the Companies Act, 1956.”

- 8) To consider and thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT Mr. Sangramsinh S. Nimbalkar, who has filed his consent to act as Director, pursuant to section 264 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determined by retirement of Directors by rotation.”

- 9) To consider and thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to increase and revision in payment of remuneration to Shri. Shivaji R. Mohite, Chairman & Managing Director the Company (subject to overall limits laid down in Section 309 of the Companies Act, 1956 and Schedule XIII thereto,) as stipulated below :



**Salary :**

- a) Monthly salary of ₹ 4,00,000/- (Rs. Four Lakhs Only)
- b) Commission : Commission shall be decided by the Board of Directors as recommended by the Remuneration Committee based on the net profit of the Company each year, subject to condition that aggregate remuneration of the Chairman & Managing Director shall not exceed the limits laid down under Section 309 of the Companies Act, 1956.

**Perquisites :**

In addition to the aforesaid salary the Chairman & Managing Director shall be entitled to the following perquisites :

- 1) Fully furnished Rent Free Accommodation or alternatively, House Rent Allowance in lieu thereof may be paid not exceeding ₹ 1,00,000/-p.m. The expenses on furnishing gas, electricity, water and other utilities shall be borne by the company.
- 2) Reimbursement of all medical expenses incurred for self and family subject to a limit of one month's salary per year. In addition hospitalization expenses incurred in India for self and family will be paid on actual basis.
- 3) Leave Travel concession to the Chairman & Managing Director and his family, once in a year subject to the ceiling of one month's salary.
- 4) Personal Accident Insurance, premium of which shall not exceed ₹ 25,000/- per annum.
- 5) Fees of clubs subject to maximum of two clubs.

**Retirement Benefits :**

- 1) Provident Fund/Superannuation / Gratuity : As per Company's rule as applicable to other Senior Executives.

**Other Perquisites :**

- 1) All expenses for the maintenance, running and upkeep of the Motor Car for business purpose to be borne and paid by the company.
- 2) Telephone at Residence, all charges including rental and all charges of the telephone being paid by the company in full.
- 3) Leave at the rate of one month for every eleven months of service. Leave not availed of may be encashed at the end of the tenure.
- 4) Such other benefits or amenities as may be applicable to other Senior Executives of the company.

Perquisites, if availed, shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. The total cost for the Company on account of the perquisites shall not exceed 50 % of salary. The Board of Directors subject to approval by Remuneration Committee shall have the powers to vary the above terms and conditions. Provided however that the total remuneration shall not exceed the limits prescribed under limits specified in Part II of Schedule XIII to the Companies Act, 1956."



**RESOLVED FURTHER THAT** Mr. Neehal M. Pathan Director of the Company be and is hereby authorized to sign and file the necessary forms prescribed under the Companies Act, 1956.”

10. To consider and thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 311 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to increase and revision in payment of remuneration to Mrs. Monika S. Mohite, Joint Managing Director of the Company (subject to overall limits laid down in Section 309 of the Companies Act, 1956 and Schedule XIII thereto,) as stipulated below :

**Salary :**

- a) Monthly salary of ₹ 2,00,000/- (Rs. Two Lakhs Only)
- b) Commission : Commission shall be decided by the Board of Directors as recommended by the Remuneration Committee based on the net profit of the Company each year, subject to condition that aggregate remuneration of the Managing Director shall not exceed the limits laid down under Section 309 of the Companies Act, 1956.

**Perquisites :**

In addition to aforesaid salary the Joint Managing Director shall be entitled to the following perquisites :

- 1) Fully furnished Rent Free Accommodation or alternatively House Rent Allowance in lieu thereof may be paid not exceeding ₹ 50,000/- p.m. The expenses on furnishing gas, electricity, water and other utilities shall be borne by the Company.
- 2) Reimbursement of all medical expenses incurred for self and family subject to a limit of one month's salary per year. In addition hospitalization expenses incurred in India for self and family will be paid on actual basis.
- 3) Leave Travel concession to the Joint Managing Director and her family, once in a year subject to the ceiling of one month's salary.
- 4) Personal Accident Insurance, premium of which shall not exceed ₹ 25,000/- per annum.
- 5) Fees of clubs subject to maximum of two clubs.

**Retirement Benefits :**

- 1) Provident Fund/Superannuation / Gratuity : As per Company's rule as applicable to other Senior Executives.

**Other Perquisites :**

- 1) All expenses for the maintenance, running and upkeep of the Motor Car for business purpose to be borne and paid by the company.
- 2) Telephone at Residence, all charges including rental and all charges of the telephone being paid by the company in full.



- 3) Leave at the rate of one month for every eleven months of service. Leave not availed of may be encashed at the end of the tenure.
- 4) Such other benefits or amenities as may be applicable to other Senior Executives of the company.

Perquisites, if availed, shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost. The total cost for the Company on account of the perquisites shall not exceed 50 % of salary. The Board of Directors subject to approval by Remuneration Committee shall have powers to vary the above terms and conditions. Provided however that the total remuneration shall not exceed the limits prescribed under limits specified in Part II of Schedule XIII to the Companies Act, 1956.”

**RESOLVED FURTHER THAT** Mr. Shivaji R. Mohite, Chairman & Managing Director of the Company be and is hereby authorized to sign and file the necessary forms prescribed under the Companies Act, 1956.”

11. To consider and thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 314(1) of the Companies Act, 1956, the shareholders do hereby ratify payment of ₹ 75,000/- p. m. made to Mr. Neehal M. Pathan, Director of the Company, as a Consultant, during the period since his appointment from 22/06/2012 to till the date of AGM.

“RESOLVED FURTHER THAT pursuant to section 314(1) of the Companies Act, 1956, approval of shareholders of the Company be and is hereby accorded for payment of consultation fees of ₹ 75,000/- per month to Mr. Neehal M. Pathan, Director of the Company for the period of 3 years w.e.f 1st October, 2012 in respect of consultancy services offered by him in the matters of finance and taxation.

For and on behalf of Board of Directors,

Vadgaon : 416 112

Date : 14<sup>th</sup> August, 2012

**SHIVAJI MOHITE**

CHAIRMAN & MANAGING DIRECTOR

**Notes :**

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote on a poll instead of himself/herself and such proxy need not to be a member of the Company. The proxy, in order to be effective, must be lodged with the Company not less than 48 hours before the meeting. The blank proxy form is enclosed.
- 2) The Explanatory Statement, pursuant to Section 173 of the Companies Act, 1956 in respect of the Business under Item 5 to 11 is annexed hereto. The relevant details of Director under Item No 2,3,5,6,7,8, 9, 10 pursuant to clause 49 of the Listing Agreements entered into with Bombay Stock Exchange Ltd also annexed hereto
- 3) The Register of Members and Share Transfer Books of the Company shall remain closed from the 22<sup>nd</sup> September, 2012 to 28<sup>th</sup> September, 2012 [both days inclusive] for the purpose of Annual Book Closure.
- 4) Members holding shares in physical form are requested to notify the changes in their addresses, if any, at the earliest. Members holding shares in dematerialized form are requested to notify change in their addresses to their Depository Participants.





## EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956

As required under Section 173 of the Companies Act, 1956, the following explanatory statement sets out all materials facts relating to the business under Item. No. 5 to 11.

### ITEM No. 5

Mr. Neehal M. Pathan was appointed as Additional Director of the Company on 22<sup>nd</sup> June, 2012 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds office as Director up to the date of the ensuing AGM. As required by Section 257 of the Companies Act, a notice has been received from a member signifying his intention to propose appointment of Mr. Neehal M. Pathan as a Director along with a deposit of Rupees Five Hundred Only.

Mr. Neehal M. Pathan is a member of The Institute of Chartered Accountants of India and having experience of more than 10 years in Finance, Accounts and Taxation.

The Board considers it desirable that the Company should continue to avail his services. The Board recommends the resolution set out in item No. 5 of the Notice for approval as Ordinary Resolution.

None of the Directors is interested in the resolution.

### ITEM No. 6

Mr. Ranjeet D. Patil was appointed as Additional Director of the Company on 22<sup>nd</sup> June, 2012 by the Board of Directors of the Company. According to the provisions of Section 260 of the Companies Act, 1956, he holds office as Director up to the date of the ensuing AGM. As required by Section 257 of the Companies Act, a notice has been received from a member signifying his intention to propose appointment of Mr. Ranjeet D. Patil as a Director along with a deposit of Rupees Five Hundred Only.

Mr. Ranjeet D. Patil is one of successful businessman in Earth Moving Business and Dozer ripper since more than 20 years and also having experience of construction of Irrigation Project.

The Board considers it desirable that the Company should continue to avail his services. The Board recommends the resolution set out in item No. 6 of the Notice for approval as Ordinary Resolution.

None of the Directors is interested in the resolution.

### ITEM No. 7

The Board of Directors decides to appointed Shri Abhay S. Bhide, CEO of the Company as “Whole Time Director” as Executive Director of the Company, for the period of Five years with effects from 1 October 2012 to 30<sup>th</sup> September, 2017, subject to the approval of the shareholders.

Shri Abhay S. Bhide has completed B. Tech Degree. He has experience in Cotton Industry, besides this he is well versed with erection and implementation of Spinning Project. He has got training at Ritter in Europe and at USA for Cotton.

Except Shri Abhay S. Bhide, none of the other Directors is interested in this Special Resolution.

The resolution is being proposed to seek your consent under Section 269 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII of the said Act.



The resolution and explanatory statement be treated as an abstract under section 302 of the Companies Act, 1956.

#### **ITEM No. 8**

Mr. Sangramsinh S. Nimbalkar is proposed to be appointed as a Director of the Company. As required by Section 257 of the Companies Act, a notice has been received from a member signifying his intension to propose appointment of Mr. Sangramsinh S. Nimbalkar as a Director along with a deposit of Rupees Five Hundred Only.

Mr. Sangramsinh S. Nimbalkar is one of successful businessman in Earth Moving Business for more than 15 years.

The Board considers it desirable that the Company should continue to avail his services. The Board recommends the resolution set out in Item No. 8 of the Notice for approval as Ordinary Resolution. None of the Directors is interested in the resolution.

None of the Directors is interested in the resolution.

#### **ITEM No. 9**

At a meeting of remuneration Committee meeting held on 30<sup>th</sup> May, 2012, approved, subject to the approval of the shareholders ensuing Annual General Meeting, the above remuneration payable to Shri Shivaji R. Mohite, Chairman and Managing Director.

Mr. Shivaji R. Mohite have more than 19 years experience in Textiles Business and he was one of the partners of M/s R. M. Mohite & Company, one of the leading premier construction firms from Maharashtra, which constructed many large dam projects and power house. He is involved in supervision, execution of construction of earthen dams and maintenance of large fleet. He was felicitated by Govt of Maharashtra for excellent work of Dhom - Balakavadi Dam project in Satara District..

Mr. Shivaji R. Mohite interested in this Special Resolution. Also Mrs. Monika S. Mohite, Director, is interested in this Special Resolution, as she is close relative of Mr. Shivaji R. Mohite. None of the other Directors is interested in this Special Resolution.

The resolution is being proposed to seek your consent under Section 269 of the Companies Act, 1956 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII of the said Act.

The resolution and explanatory statement be treated as an abstract under section 302 of the Companies Act, 1956.

#### **ITEM No. 10**

At a meeting of remuneration Committee meeting held on 30<sup>th</sup> May, 2012, approved, subject to the approval of the shareholders ensuing Annual General Meeting, the above remuneration payable to Mrs. Monika S. Mohite, Joint Managing Director.

Mrs. Monika S. Mohite, is Industrialist and is having educational qualification of M. A. ( English Literature).

Mrs. Monika S. Mohite interested in this Special Resolution. Also Mr. Shivaji R. Mohite, Chairman and Managing Director, is interested in this Special Resolution, as he is close relative of Mrs. Monika S. Mohite. None of the other Directors is interested in this Special Resolution.

