

***ANNUAL REPORT  
FOR THE  
YEAR ENDED  
31<sup>ST</sup> MARCH 2002***



**REMI PROCESS PLANT AND MACHINERY LIMITED**

**Regd. Office: Plot No.11, Cama Industrial Estate, Goregaon(E), Mumbai-400 063**

**NOTICE**

To  
The Members,  
**REMI PROCESS PLANT AND MACHINERY LIMITED**

**NOTICE** is hereby given that the Twentyeighth Annual General Meeting of the Company will be held at its Registered Office at 11, Cama Industrial Estate, Goregaon (East), Mumbai-400 063, on Monday, the 30<sup>th</sup> September, 2002 at 12.15 P.M. to transact the following business:

1. To adopt the audited Balance Sheet as at, and Profit and Loss Account for the year ended 31<sup>st</sup> March, 2002.
2. To re-appoint as Director Shri Rajendra C. Saraf who retires by rotation.
3. To re-appoint as Director Shri Rishabh R. Saraf who retires by rotation.
4. To appoint Auditors and to fix their remuneration.

For **REMI PROCESS PLANT AND MACHINERY LIMITED**

**RISHABH R. SARAF**  
**DIRECTOR**

Place : Mumbai  
Dated : August 27, 2002

**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 Tuesday, the 24<sup>th</sup> September, 2002 to Monday, the 30<sup>th</sup> September, 2002, both days inclusive.

**DIRECTORS' REPORT**

To  
The Members,  
**REMI PROCESS PLANT AND MACHINERY LIMITED**

Your Directors present to you herewith the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2002.

<b>(Rs. In Lacs)</b>		
<b>Financial Results</b>	<b>2001-2002</b>	<b>2000-2001</b>
Gross Profit	51.79	57.19
Less: Depreciation	12.24	14.42
Taxation	<u>13.30</u>	<u>04.25</u>
	<u>25.54</u>	<u>18.67</u>
Net Profit	<b>26.25</b>	<b>38.52</b>
Less: Short provision for taxation w/off	(0.05)	(1.17)
Add : Balance brought forward	<u>58.81</u>	<u>36.47</u>
	<b>85.01</b>	<b>73.81</b>
Less: Transferred to General Reserve	5.00	15.00
Interim Dividend	66.00	—
Tax on Dividend	6.73	—
Balance carried to Balance Sheet	<b>7.28</b>	<b>58.81</b>

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956:

**Sub-Sec. (1)(e):****A. CONSERVATION OF ENERGY:**

All efforts for conservation of energy are being taken.

**B. TECHNOLOGY ABSORPTION:**

Technology absorption is complete.

**C. FOREIGN EXCHANGE EARNING AND OUTGO:**

Foreign Exchange Outgo	Rs. 9.98 Lacs
(Previous Year)	Rs. 27.91 Lacs
Foreign Exchange Earnings	Rs. 21.75 Lacs
(Previous Year)	Rs. 4.17 Lacs.

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**Sub-Sec. (2AA):**

Your Directors state:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that 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) that 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 detection fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

You are requested to appoint Auditors and fix their remuneration.

**Registered Office:**

11, Cama Industrial Estate  
Goregaon (E), Mumbai-400 063

Place : Mumbai

Dated : 27<sup>th</sup> August, 2002.

**ON BEHALF OF THE BOARD**

**VISHWAMBHAR C. SARAF**  
**CHAIRMAN**

**Auditor's Report to the Members of Remi Process Plant and Machinery Limited.**

We have audited the attached Balance Sheet of **REMI PROCESS PLANT AND MACHINERY LIMITED** as at **31st March, 2002** and also the Profit and Loss Account 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.

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.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 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.

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 and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- iv. In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- v. On the basis of written representations received from the directors, as on 31st March, 2002, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2002 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 read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with 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, 2002; and
  - (b) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

**For SHANKARLAL JAIN & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**(S. L. AGRAWAL)  
PARTNER**

PLACE : MUMBAI  
DATED: 27<sup>th</sup> August, 2002

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in paragraph 1 thereof)

As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, on the basis of such checks as we have considered appropriate, we report that: -

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. We are informed that Fixed Assets were verified by the Management at the end of the year and no material discrepancies were noticed on such verification by the management.
2. The Fixed Assets of the Company have not been revalued during the year.
3. The stocks of finished goods semi-finished goods, spare parts and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
4. In our opinion, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
5. The discrepancies noticed on verification between the physical stocks and the book stocks, which were not significant, have been properly dealt with in the books of account.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper, in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. In our opinion, the rate of interest and other terms and conditions on which loan have been taken from Companies, Firms or others as listed in the Register maintained under Section 301 of the Companies Act, 1956, are not prejudicial to the interest of the Company. However, the same has been paid during the year.
8. In our opinion, the rate of interest and other terms and conditions on which loans have been granted to the bodies corporate listed in the Register maintained under Section 301 of the Companies Act, 1956, are not prima-facie prejudicial to the interest of the Company.
9. Advances in the nature of loans given to employees are being repaid as stipulated and no interest is charged on such advances.
10. 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 purchase of stores, raw materials including components, plant and machinery, and other assets and with regard to the sale of goods.
11. In our opinion and according to the explanations given to us, the transactions of purchase of goods, materials and sale of goods, materials and services, made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs.50,000/- or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices for such goods, materials or services or the prices at which transactions for goods, materials or services have been made with other parties as price lists are available with the Company.
12. As explained to us, the Company has a regular procedure for the determination of unserviceable or damaged stores, raw materials and finished goods. Adequate provision has been made in the accounts for the loss arising on the items so determined.

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