



REMI GROUP

REMI PROCESS PLANT AND MACHINERY LTD.



**40TH ANNUAL REPORT
2013 – 2014**

Board of Directors:	Shri Vishwambhar C. Saraf Shri Shri Rajendra C. Saraf Shri Ramkrishna R. Shriya Shri Mukul B. Desai (upto 14/08/2014) Shri Rishabh R. Saraf Shri Detlef Ernst Hans Klatt Smt. Anita Bhartiya	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 Ph.: 022-40589888, Fax: 022- 26852335	
CIN:	L28920MH1974PLC017683	
Factory:	Survey No.18 1/2 & 27/2, Village - Shelavali, Manor Road, Taluka Palghar, Thane – 401 404	
Wind Power:	Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra	

NOTICE

To
The Members,
REMI PROCESS PLANT AND MACHINERY LIMITED

NOTICE is hereby given that the 40th Annual General Meeting of the Company will be held at the Company's Registered Office, Remi House, Plot No.11, Cama Industrial Estate, Goregaon(East), Mumbai - 400 063, on **Thursday, the 25th September, 2014, at 11.00 A.M.** to transact the following ordinary business:

1. To consider the Audited Statement of Profit and Loss for the year ended March 31, 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend.
3. To re-appoint as Director Shri Vishwambhar C. Saraf (DIN:00161381), who retires by rotation.
4. To re-appoint as Director Shri Rishabh R. Saraf (DIN:00161435), who retires by rotation.
5. To appoint Auditors and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, M/s Shankarlal Jain & Associates, Chartered Accountants (Firm Registration No.109901W), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 43rd Annual General Meeting of the Company, to be held in the year 2017, subject to ratification by shareholders at each Annual General Meeting to be held hereafter, on a on such remuneration to be fixed by the Board of Directors of the Company."

Special Business: Ordinary Resolutions

6. To appoint Shri Ramkrishana Shriya (DIN:00027388) as Independent Director of the Company.

"RESOLVED THAT pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 read with the Schedule IV and Rules made thereunder, approval be and is hereby accorded to the appointment of Shri Ramkrishana Shriya (DIN:00027388), as an Independent Director on the Board of the Company for a term of five years, effective from 25th September, 2014."

7. To appoint Shri Detlef Ernst Hans Klatt (DIN:06602194) as Independent Director of the Company.

"RESOLVED THAT pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 read with the Schedule IV and Rules made thereunder, approval be and is hereby accorded to the appointment of Shri Detlef Ernst Hans Klatt (DIN:06602194), as an Independent Director on the Board of the Company for a term of five years, effective from 25th September, 2014."

8. To appoint Smt. Anita Bhartiya (DIN:01579145) as Independent Director of the Company.

"RESOLVED THAT pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 read with the Schedule IV and Rules made thereunder, approval be and is hereby accorded to the appointment of Smt. Anita Bhartiya (DIN:01579145), as an Independent Director on the Board of the Company for a term of five years, effective from 25th September, 2014."

Registered Office:

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

Dated : 14th August, 2014.

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. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from **Thursday, the 18th September, 2014** to **Thursday, the 25th September, 2014**, both days inclusive.
3. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of Annual General Meeting and the Annual Report, including Financial Statements, Board Report, etc. by electronic mode.

In this regard kindly register your email address and changes therein from time to time with the Company/ Registrar and Transfer Agent or with the concerned depositories.
4. As directed by SEBI, for payment of Dividend, Members are requested to provide the bank account number and the details required for making ECS payment to the respective depository participant in case of shares held in demat and to share transfer agent of the Company in case of shares held in physical.
5. Pursuant to provision of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members facility to exercise their rights to vote at General Meeting. The shareholders would therefore be able to exercise their voting rights on the items put up in this Notice of Annual General Meeting, through such e-voting method. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facilities. The e-voting facility is available at the link **<https://www.evoting.nsdl.com>**. The details procedure for e-voting is set out below:

(a) In case of Members receiving an e-mail from NSDL:

- (i) Open the PDF file ' **RPPM-e-Voting.pdf** ' attached to the e-mail with your Client ID/ Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the Password provided in PDF is an 'Initial Password'.
- (ii) Launch an internet browser and open **<https://www.evoting.nsdl.com/>**
- (iii) Click on Shareholder - Login.
- (iv) Insert 'User ID' and 'Initial Password' as noted in step (i) above and click 'Login'.
- (v) Password change menu will appear. Change the Password with a new Password of your choice. Please keep a note of the new Password.

It is strongly recommended not to share your Password with any person and take utmost care to keep it confidential.

- (vi) Home page of e-voting will open. Click on e-Voting - Active Voting Cycles.
- (vii) Select 'EVEN (E-voting Event Number)' of **REMI PROCESS PLANT AND MACHINERY LIMITED**.
- (viii) Now you are ready for e-voting as 'Cast Vote' page opens.
- (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
- (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at **rppmscrutinizer@gmail.com** with a copy marked to **evoting@nsdl.co.in**.

(b) In case of Shareholders receiving physical copy of the Notice of AGM .

- (i) Initial Password is provided in the enclosed Form.

EVEN (E-voting Event Number)	User ID	Password/ PIN
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- (ii) Please follow all steps from Sr. No. (a) (ii) to Sr. No. (xii) above, to cast vote.

(c) Other Instructions:

- i. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of NSDL's e-voting website **www.evoting.nsdl.com**.
 - ii. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting vote.
 - iii. The voting rights shall be as per the number of equity share held by the Member(s) as on **14th August , 2014**. Members are eligible to cast vote electronically only if they are holding shares as on that date.
 - iv. The voting period shall commence at 9.00 a.m. on **17th September, 2014** and will end at 5 p.m. on **19th September, 2014**. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 - v. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within two days of the passing of the resolutions at AGM of the Company .
6. An Explanatory Statement relating to the item of special business set out in item No. 6 to 8 accompanies.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013–
ANNEXURE TO THE NOTICE

Item No. 6 to 8

With the enactment of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board of Directors decided that Shri Ramkrishana Shriya (DIN:00027388), Shri Detlef Ernst Hans Klatt (DIN:06602194) and Smt. Anita Bhartiya (DIN:01579145), be appointed as an Independent Directors of the Company for five years terms as per Companies Act, 2013.

❖ **Shri Ramkrishana Shriya (DIN:00027388):**

Shri Ramkrishana Shriya has vast experience of more than 60 years in the functional area of business. The Company will benefit from his rich experience. He is also on board of Holistic Corporate Services Private Ltd.

❖ **Shri Detlef Ernst Hans Klatt (DIN:06602194):**

Shri Detlef Ernst Hans Klatt is a German National, owning and managing an Engineering unit in Germany. His association with the Company will benefit it in its manufacturing activities.

❖ **Smt. Anita Bhartiya (DIN:01579145):**

Smt. Anita Bhartiya is a Commerce graduate with first class from Mumbai University. She has experience in the field of Manufacturing, Production, Inventory Management, Merchandising, Brand Development etc. The Company will benefit from her knowledge. Notice has been received proposing candidature of the Director.

The Board recommends passing of ordinary resolutions as set out in item no. 6 to 8 of the Notice. None of the Directors of the Company is concerned or interested in the said resolutions except themselves.

Further, in the opinion of the Board, the proposed appointment of Independent Directors, fulfills the conditions specified in the Act and the Rules made thereunder and that the proposed appointment of independent directors is independent of the management.

Your Directors commend the resolutions 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, 2014.

(₹ in Lacs)

Financial Results	2013 - 2014	2012 - 2013
Gross Turnover	4459.49	3211.00
Profit before Finance Cost, Depreciation and Tax (EBIDTA)	247.21	337.69
Less: Finance Cost	79.98	80.60
Depreciation	53.05	52.33
Taxation	27.92 160.95	62.82 195.75
Net Profit	86.26	141.94
Balance brought forward	516.96	437.38
Profit available for appropriations	603.22	579.32
<u>Appropriations</u>		
Transferred to General Revenue	10.00	50.00
Proposed Dividend	10.56	10.56
Tax on dividend	1.80	1.80
Net surplus in the Statement of Profit & Loss	580.86	516.96
	603.22	579.32

DIVIDEND:

Your Directors are pleased to recommend a dividend of ₹ 0.60 (6%) per equity share for the year ended 31st March, 2014. The proposed dividend including dividend distribution tax will absorb ₹12.36 Lakhs.

WORKING:

The working of the Company is adversely affected during the year due to slow down in the economy and degrowth in capital goods industry in which the Company Operates. In view of the new government at Centre and its emphasis on investments in infrastructure and manufacturing will revive business prospects of the Company in coming years. Secondly, the Company had exposure in NSEL to the extent of ₹ 211.57 Lakhs out of which it has written off ₹ 74.04 Lakhs being 25% of total exposure. The Company is watching the developments in the said matter closely, in view of the steps taken by EOW of Mumbai Police, legal case in the High Court and steps taken by Govt.

DIRECTORS:

Shri Vishwambhar C. Saraf (DIN:00161381) and Shri Rishabh R. Saraf (DIN:00161435) who retire by rotation and are to be re-appointed.

AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the current auditors of the Company, M/s. Shankarlal Jain & Associates, Chartered Accountants (Firm Registration No.109901W) are eligible to hold the office for a period of three years, upto 2017.

The members are therefore requested to appoint M/s. Shankarlal Jain & Associates, Chartered Accountants as auditors for three years from the conclusion of the ensuing Annual General Meeting till the conclusion of the 43rd Annual General Meeting, to be scheduled in 2017.

COST AUDITORS AND COST AUDIT REPORT :

As per the order of the Central Government , your Company carries out an audit of its cost records. The due date for filing of the Cost Audit Report and Cost Compliance Report with the Ministry of Corporate affairs for the Financial year ended 31st March, 2013, was 180 days from the Closure of the Company's financial year. The Cost Audit Report and Cost Compliance report for the financial year ended as on 31st March, 2013 was filed in XBRL format within prescribed time limit.

The Central Government approved the appointment of M/s Kejriwal and Associates, Cost Auditors for conducting Cost audit for the Financial Year 2013-14.

CONSERVATION OF ENERGY:

All efforts for conservation of energy are being taken.

TECHNOLOGY ABSORPTION:

Technology absorption is complete.

FOREIGN EXCHANGE EARNING AND OUTGO:

Earnings:	₹ 13.07 Lacs	Outgo:	₹ 33.56 Lacs
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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 Auditors of the Company from time to time, the Directors state that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors have 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 have 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; and
- (iv) the directors have 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.

ON BEHALF OF THE BOARD

Registered Office:

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

Dated : 14th August , 2014.

VISHWAMBHAR C. SARAF
CHAIRMAN

INDEPENDENT AUDITORS' REPORT

To,

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

Report on the Financial Statements

We have audited the accompanying financial statements of **Remi Process Plant and Machinery Limited** (the company), which comprise the balance sheet as at 31st March, 2014, and the statement of profit and loss and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the balance sheet, of the state of affairs of the company as at 31st March, 2014;

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- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

Emphasis of matter :

Company has exposure to NSEL of Rs.211.57 Lakhs and balance 25% i.e Rs.74.04 Lakhs has been written off in the accounts as management is hopeful to recover the same to the extent of 75%.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - a. 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.
 - b. 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.
 - c. the balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account.
 - d. in our opinion, the balance sheet, statement of profit and loss, and cash flow statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e. on the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Sd/-

PLACE : MUMBAI
DATED : 30TH MAY, 2014

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