



REMI GROUP

REMI PROCESS PLANT AND MACHINERY LTD.



**41ST ANNUAL REPORT
2014 – 2015**

Board of Directors:	Shri Vishwambhar C. Saraf Shri Shri Rajendra C. Saraf Shri Rishabh R. Saraf Shri Ramkrishna R. Shriya Shri Detlef Ernst Hans Klatt Smt. Anita Bhartiya-w.e.f. 14/08/2014	Chairman Managing Director Director Independent Director Independent Director Independent Director
Chief Financial Officer:	Shri Bhagirath Singh	
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 41st 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 **Wednesday, the 30th September, 2015, at 2.00 P.M.** to transact the following ordinary business:

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2015, together with the reports of the Board of Directors and the Auditors thereon;
2. To confirm payment of interim dividend paid on equity shares for the financial year 2014-15 as final dividend for the year 2014-15.
3. To re-appoint as Director Shri Vishwambhar C. Saraf (DIN:00161381), who retires by rotation.
4. To ratify the appointment of Auditors and to fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, the appointment of M/s Shankarlal Jain & Associates, Chartered Accountants (Firm Registration No.109901W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 42nd Annual General Meeting of the Company, be and are hereby ratified and on such remuneration to be fixed by the Board of Directors of the Company.”

Special Business : Special Resolution

5. To revise remuneration of Shri Rajendra C. Saraf (DIN:00161412), Managing Director.

“Resolved that the remuneration being paid to Shri Rajendra C. Saraf (DIN:00161412), the Managing Director of the Company, be and is hereby revised as follows, with effect from the 1st April, 2015.

- i. A monthly salary of Rs.2,50,000/-, subject to annual review and / or as per the new Companies Act.
- ii. Free furnished residential accommodation.
- iii. Reimbursement of actual medical expenses incurred for self and family.
- iv. Reimbursement of actual electricity and gas expenses at residence.
- v. Leave Travel Concession for self and family once a year, in accordance with the rules of the Company.
- vi. Annual fees to not more than two clubs.
- vii. Free use of one or more Company car with driver for official purpose only.
- viii. Telephone at residence and Mobile phone.
- ix. Company's contribution to Provident Fund as per the rules of the Company.
- x. Gratuity as per the rules of the Company.
- xi. Encashment of Leave at the end of the tenure.”

“FURTHER RESOLVED THAT the Board of Directors of the Company shall have power to grant annual increments to the Director upto a limit of 20% of the total emoluments of the previous financial year, effective from the 1st April, 2016. However the overall remuneration shall not exceed the limits specified in Section II, Part II of Schedule V to the Companies Act, 2013.”

For REMI PROCESS PLANT AND MACHINERY LTD.

Registered Office:

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

Sd/-

**RAJENDRA C. SARAF
MANAGING DIRECTOR
(DIN:00161412)**

Dated : 14th August, 2015.

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 24th September, 2015** to **Wednesday, the 30th September, 2015**, both days inclusive.
3. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered office of the Company on all working days, during 4.00 P.M to 6 P.M up to the date of the Meeting.
4. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Registrar M/s.Bigshare Services Private Limited / Company .

5. Green Initiative :

Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same to the Company by sending email at rppm_igrd@remigroup.com or to M/s.Bigshare Services Private Limited or with the concerned depositories.

YOUR INITIATIVE WILL SAVE FOREST WEALTH OF OUR COUNTRY.

6. Pursuant to provision of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 , as amended from time to time and Clause 35B of the Listing Agreement, the Company is pleased to provide its members facility to exercise their rights to vote on the resolution proposed to be considered at the 41st Annual General Meeting by the electronic means/ remote e-voting) and/or voting by ballot paper at the AGM. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). The Notice is available on website of the Company. The e-voting facility is available at the link <https://www.evoting.nsdl.com>.
7. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. A member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again at the AGM. Incase Members cast their vote through both the modes, voting done by e-voting shall prevail and votes cast through Ballot form shall be treated as invalid.

8. The remote e-voting period shall commence at 9.00 a.m. on **26th September, 2015** and will end at 5 p.m. on **29th September, 2015**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast the vote again.
9. 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.
10. The details procedure for remote e-voting is set out below :

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

- (i) Open email and open PDF file viz; "**RPPM remote e-voting.pdf**" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login.
- (iv) put 'User ID' and Password' as initial password/PIN as noted in step (i) above and click 'Login'.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote 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 remote 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 (Remote 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 or call on Toll free no. 1800-222-990.
- ii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

- iii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
11. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e on **23rd September, 2015** Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date.
 12. Any persons who have acquired shares after the dispatch of the Notice and holding shares as on cut-off date i.e. **23rd September, 2015**, may obtain the user ID and Password by sending a request at evoting@nsdl.co.in or to RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no. 1800-222-990.
 13. The Company has appointed Shri V.S.Iyer, Practising Company Secretary, to act as the Scrutinizer, to scrutinize the entire ballot voting /e-voting process in a fair and transparent manner.
 14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 15. The scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
 16. The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website i.e www.remigroup.com and on the website of NSDL after the result is declared by the chairman or a person authorized by him .The result shall also be forwarded to The Bombay Stock Exchange Limited.
 17. An Explanatory Statement relating to the item of special business set out in item No.5 accompanies.

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

Item No.5

The remuneration package was revised by the Board at its Meeting held on the 29th May, 2015. The remuneration being paid to him has been revised with effect from the 1st April, 2015 as per Schedule V, Part II section II (A) of the Companies Act, 2013 and hence, the following information is to be given herein:

- (i) The Remuneration Committee of Directors had approved of this remuneration.
- (ii) The Company has not made any default in repayment of its debts.
- (iii) Your approval is sought to be obtained by a Special Resolution.
- (iv) Attached hereto is a statement containing the following information:-

I. General Information:

- | | |
|---|---|
| (1) Nature of Industry | : Manufacture of various items of machinery and equipments. |
| (2) Commencement of commercial production | : 1974 |

- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not a new Company.
- (4) Financial performance : The Company has a turnover of Rs.2308.63 Lacs and net profit of Rs.123.81 Lacs for the financial year ended 31st March, 2015.
- (5) Foreign investments or collaborations : None

II. Information about the Appointee:

- (1) Shri Rajendra C. Saraf (61) is a commerce graduate from the University of Bombay. He hails from a family of business people of fifty years' standing. After his college education, he joined his family business and has received from his elders in the family very good training in business management. He has more than 35 years of business experience. He holds 450 equity shares in the Company. He was first appointed on the board of the director on 19/11/1983. He attended 5 (five) meetings of the Board of Directors during the year 2014-15. He is on the Board of Remi Edelstahl Tubulars Limited, Remi Elektrotechnik Limited, Pudumjee Industries Ltd., Pudumjee Hygiene Products Limited and Calplus Trading Pvt. Ltd. He is Chairman of Finance Committee and Member of Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee of Remi Edelstahl Tubulars Limited. He is Member Corporate Social Responsibility Committee of Remi Elektrotechnik Limited. He has been reappointed as Managing Director of the Company from the 1st April, 2013 for term of 3 years.
- (2) Past remuneration : Rs.2.25 Lacs per month plus other benefits and perquisites.
- (3) Recognition or awards : ----
- (4) Job profile and his suitability : He is in full charge of production, sales, finance, accounts and other administrative matters.

With more than twenty-five years of management experience, he has become the right person for managing the affairs of the Company.
- (5) Remuneration Proposed : As set out in the Special Resolution.
- (6) Comparative Remuneration profile : In similar Companies, this package is the norm.
- (7) Pecuniary relationship : His family has a good financial stake in the Company.

III. Other information : Not Applicable

IV. Disclosure :

- (1) Remuneration Package : Set out in the Special Resolution
- (2) Report under the heading 'Corporate Governance' in Directors' Report
- (i) Salary etc. of all other Directors : Not Applicable.
- (ii), (iii) and (iv) : Not Applicable.

Shri R. C. Saraf, his brother, Shri V. C. Saraf, and Shri Rishabh R. Saraf, his son, also Directors of this Company, are to be deemed to be interested in this item of business.

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, 2015.

(₹ in Lacs)

Financial Results	2014 - 2015	2013 - 2014
Gross Turnover	2308.63	4470.74
Profit before Finance Cost, Depreciation and Tax (EBIDTA)	327.24	247.21
Less: Finance Cost	91.41	79.98
Depreciation	59.19	53.05
Taxation	52.83	27.92
Net Profit	123.81	86.26
Balance brought forward	573.18	516.96
Profit available for appropriations	696.99	603.22
<u>Appropriations</u>		
Transferred to General Revenue	15.00	10.00
Proposed Dividend	10.56	10.56
Tax on dividend	2.11	1.80
Net surplus in the Statement of Profit & Loss	669.32	580.86
	696.99	603.22

OPERATIONS :

The Company achieved turnover of Rs.23.09 crores as against Rs.44.71 crores. The decline in turnover is mainly due to decline in trading sales and due to slow down in the economy and degrowth in capital goods industry in which the Company operates. The Company has achieved EBIDTA and net profit of Rs.3.27 crores and Rs.1.24 crores during the year as against Rs.2.47 crores and Rs.0.86 crores respectively in the previous year. In view of the new government stabilizing at Centre and its emphasis on investments in infrastructure and manufacturing will revive business prospects of the Company in coming years. Secondly, the Company has exposure in NSEL to the extent of Rs.210.39 lakhs. 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 the Central and State Govts.

During the year, the Company transferred a sum of ₹15 lacs to the General Reserves.

There are no Companies which have become or ceased to be its Subsidiaries, Joint Ventures or associate Companies.

INTERIM DIVIDEND:

The Company have paid interim dividend of ₹ 0.60 (6%) per equity share during the year. The Board of Directors do not recommend any final dividend and the interim dividend to be considered as the final dividend, for the financial year 2014-15.

DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT:

Shri Vishwambhar C. Saraf (DIN:00161381) retires by rotation and is to be re-appointed.

Shri Vishwambhar C. Saraf (76) is a commerce graduate from the University of Bombay and after graduation he joined the family business. He has more than 50 years of business experience. The Performance of the Company is increasing due to the leadership and guidance given by him.

CHANGES OF DIRECTORS AND KEY MANAGERIAL PERSONNEL DURING THE YEAR:

Smt Anita Bhartiya was appointed as Non-Executive Independent Director of the Company w.e.f. 14.08.2014. Shri M.B. Desai, have resigned from the Directorship of the Company w.e.f. 14.08.2014. Shri Bhagirath Singh, Chief Financial Officer, has been designated as Key Managerial Personnel of the Company.

BOARD MEETINGS:

During the year, 6 (Six) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Act.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining qualifications, positive attributes and independence of a Director and also a policy for remuneration of Directors, Key Managerial Personnel and senior management.

The Executive Directors and other whole-time directors are paid remuneration by way of salary, perquisites, incentives and allowances, as recommended by the Committee and the Board of Directors and approved by the Members of the Company from time to time. Non-Executive Independent Directors are paid sitting fees for attending meetings of the Board of Directors.

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business; balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the appointment of the auditors M/s Shankarlal Jain & Associates, Chartered Accountants (Firm Registration No.109901W) shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment M/s Shankarlal Jain & Associates, Chartered Accountants (Firm Registration No.109901W) as Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITOR:

Shri V.S.Iyer, Practicing Company Secretary, was appointed to conduct the secretarial audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act,

2013 and Rules thereunder. The secretarial audit report for FY 2014-15 forms part of the Annual Report as “**Annexure - A**” to the Board's report. There is no qualification, reservation or adverse remark in the report,

LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

Pursuant to provisions of The Companies Act, 2013, all related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no material related party transactions entered by the Company during the year and thus disclosure in Form AOC-2 is not required.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company other than sitting fees .

Your Directors draw attention of the members to Note 1.5 to notes to accounts which sets out related party disclosures.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

- i. the steps taken or impact on conservation of energy; : All efforts are being made to conserve energy.
- ii. the steps taken by the company for utilising alternate sources of energy; : The Company has installed an Windmill.
- iii. the capital investment on energy conservation equipments; : Nil

(B) Technology absorption:

- i. the efforts made towards technology absorption; : The Company does not have any foreign collaboration for manufacturing. The Company is continuously modernizing its production and testing machineries and equipments
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; : This is continuous process and the laboratory instruments are import substitutes.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - (a) the details of technology imported; : N.A
 - (b) the year of import; : N.A.
 - (c) whether the technology been fully absorbed; : N.A.
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : N.A.
- iv. the expenditure incurred on Research and Development : Nil