



**RAM KAASHYAP  
INVESTMENT LIMITED**



**NINETEENTH  
ANNUAL REPORT**

**2011 - 2012**

# **RAM KAASHYAP INVESTMENT LIMITED**



**NINETEENTH ANNUAL REPORT**

**2011 - 2012**

**BOARD OF DIRECTORS**

Mr. Jude Jeyaprakash, Executive Director

Mr. A. Srinivas

Mr. S. Krishna Kumar

Mr. T. V. Balachandran

Mr. K. Raman

Mr. R. Gopalan

**AUDIT COMMITTEE**

Mr. T. V. Balachandran, Chairman of the Committee

Mr. A. Srinivas

Mr. S. Krishna Kumar

**STATUTORY AUDITORS**

M/s. R. Ravindran & Associates  
Chartered Accountant

**BANKERS**

State Bank of Travancore

HDFC Bank Limited

**REGISTERED OFFICE**

33/8, B. R. Complex, II Floor  
C. P. Ramasamy Road, Alwarpet  
Chennai 600 018.

**REGISTRAR AND SHARE TRANSFER AGENT**

Knack Corporate Services Private Limited

No. 6/18, First Floor, First Street,

Teynampet, Chennai - 600 018.

**CONTENTS**

<b>Sl.No.</b>	<b>PARTICULARS</b>	<b>PAGE No.</b>
1.	Notice	5
2.	Directors' Report	7
3.	Report on Corporate Governance	15
	<b>STANDALONE FINANCIAL STATEMENTS</b>	
4.	Auditors' Report	28
5.	Balance Sheet	32
6.	Profit & Loss Account	33
7.	Cash Flow Statement	34
	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
8.	Auditors' Report	47
9.	Balance Sheet	48
10.	Profit & Loss Account	49
11.	Cash Flow Statement	50

## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Shareholders of the Company will be held at 12.45 p.m. on September 28, 2012 at New Woodland Hotel Private Limited, No. 72-75, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004.

## ORDINARY BUSINESS

1. **TO RECEIVE, CONSIDER, APPROVE AND ADOPT THE BALANCE SHEET AS AT MARCH 31, 2012, PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2012 AND THE DIRECTORS' AND AUDITORS' REPORT THEREON**

*To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:*

**"RESOLVED THAT** the audited balance sheet as at March 31, 2012 and the profit and loss account of the Company for the year ended on that date, together with the directors' report and the auditors' report thereon as presented to the meeting, be and the same are hereby, approved and adopted."

2. **TO APPOINT A DIRECTOR, WHO SHALL BE LIABLE TO RETIRE BY ROTATION AND BEING ELIGIBLE FOR RE-APPOINTMENT OFFERS HIMSELF FOR RE-APPOINTMENT**

*To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:*

**"RESOLVED THAT** Mr. T. V. Balachandran, Director who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as a director of the Company."

3. **TO APPOINT A DIRECTOR, WHO SHALL BE LIABLE TO RETIRE BY ROTATION AND BEING ELIGIBLE FOR RE-APPOINTMENT OFFERS HIMSELF FOR RE-APPOINTMENT**

*To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:*

**"RESOLVED THAT** Mr. A. Srinivas, Director who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as a director of the Company."

4. **TO APPOINT AUDITORS TO HOLD THE OFFICE FROM THE CONCLUSION OF THIS MEETING UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING**

*To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:*

**"RESOLVED THAT** M/s. R. Ravindran & Associates, Chartered Accountants, be and hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting of the Company, at a remuneration as may be mutually decided between M/s. R. Ravindran & Associates, Chartered Accountant and the Board of Directors of the Company."

BY ORDER OF THE BOARD  
For **RAM KAASHYAP INVESTMENT LIMITED,**

Sd/-  
**JUDE JEYAPRAKASH**  
*Executive Director*

Sd/-  
**SRINIVAS ADAPA**  
*Director*

Place : Chennai  
Date : August 31, 2012

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The proxy forms, in order to be valid, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A form of proxy is given at the end of the Annual Report. Corporate Members are requested to send certified copy of Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the meeting.
2. Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company. Replies to such written queries received, will be provided only at the meeting.
3. Members holding shares in physical form are requested to notify change of address, if any, to the Company's Registrars and Transfer Agents (RTA), Knack Corporate Services Private Ltd, No. 6/18, First Floor, First Street, Poes Road, Teynampet, Chennai – 600 018. (Telephone No.044 – 24350613 & Fax No. 044 – 24350614)

**Green Initiative in Corporate Governance**

Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' to promote paperless compliances by the companies through electronic mode. Members can now receive notices, annual reports and other documents through electronic mode by registering their email addresses with the Company.

The Company would like to avail this opportunity for **sending notices / annual reports / other documents** (documents) to the members in the electronic mode to their email addresses already registered and available (i) in the records of depositories, which have been made available to the Company by them; or (ii) in the records of Share Transfer Agent of the Company namely Knack Corporate Service Private Limited.

Members are requested:

- To note that the **documents will also be available on the Company's website [www.ramkaashyap.com](http://www.ramkaashyap.com)** for downloading by the members;
  - To note that physical copies of the documents will also be available at the Registered Office of the Company, at B. R. Complex, No. 33/8, C. P. Ramasamy Road, Alwarpet, Chennai – 600 018, for inspection during office hours;
  - To note that members, who opted to receive the documents in electronic mode, are also entitled to receive copies of the documents free of cost, upon receipt of a requisition at any time;
  - To note that those members, who are holding shares in electronic form and have not registered their email addresses with their Depository Participants (DPs), are requested to update the same with DPs;
  - To note that those members, who are holding shares in physical form and have not registered their email addresses with the RTA, are requested to update the same; and
  - To update change of email address with the RTA or with the Company or with their DPs, from time to time, for receiving the future communication on any other email address.
4. Members / proxies are requested to bring the duly filed attendance slip sent herewith for attending the meeting.
  5. The Company's Equity shares have been notified for compulsory dematerialization. Accordingly, trading of these shares through the Stock Exchanges would be facilitated if the share certificates are dematerialized. Members having the physical share Certificates are advised to consider opening of a Demat Account with an authorized Depository Participant and arrange for dematerializing their shareholdings in the Company.

The Share Transfer Register and Register of Members will remain closed from September 24, 2012 to September 28, 2012 (both days inclusive).

## DIRECTORS' REPORT

The Board of Directors of Ram Kaashyap Investment Limited are pleased to present the Nineteenth Annual Report for the year ended March 31, 2012, together with the Auditors' Report and Audited Accounts for the Financial year 2011-12.

### FINANCIAL PERFORMANCE

The comparative pictures of the financials of the Company for the last two years are presented in the table below.

(In Rs.)

PARTICULARS	2011-12	2010-11
Net Income	830,09,700	907,26,863
Expenditure	720,47,225	792,80,446
<b>Profit before Depreciation, Interest and Tax</b>	<b>109,62,475</b>	<b>114,46,417</b>
Interest and Finance Charges	31,91,048	22,68,043
Depreciation	5,33,634	3,82,217
<b>Profit /(Loss) Before Tax</b>	<b>72,37,793</b>	<b>87,96,157</b>
Provision for Tax	21,35,865	(67,816)
<b>Profit/(Loss) after Tax</b>	<b>51,01,928</b>	<b>88,63,973</b>

### OPERATIONS REVIEW

On a standalone basis your Company has reported net revenue of Rs. 83 Millions as against Rs. 90.73 Millions of Revenues registered in the previous year down by 9.30%. Total expenditure for the year was Rs. 72.05 Millions against Rs. 79.28 Millions in the previous year down by 10.04%. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) amounted to Rs. 10.96 Millions while the same was Rs. 11.45 Millions for the previous year i.e. an decrease of 4.41%. The net profit after Tax was Rs. 5.10 Millions as against Rs. 8.86 Millions for the previous year, decrease by 73.74 %.

### BUSINESS REVIEW

A detailed business review is being given in the Management Discussion and Analysis Section of the Annual Report.

### DIVIDEND

In order to conserve the earnings so as to strengthen the business, your Directors' are not recommending any dividend for the period.

### RECENT DEVELOPMENTS

Your Company has made great progress since its expansion of business by entering into oil and natural gas environmental services after altering its main objects contained in the Memorandum of Association in 2011. Your Company has acquired 100% stake in an international company, Gemmia Worldwide S.A., by issue of Global Depository Receipts. The main assets of Gemmia Worldwide S.A., being 51% holding in Oil Tech Global Services (DBA), a group of companies engaged in oil sludge treatment, reservoir cleaning services and oilfield and refinery services and equipment sales to oil and gas companies with assets and operations in Russia, Switzerland and beyond.

### SUBSIDIARY COMPANIES

1. Tamil Box Office (India) Private Limited - TBO
2. Pix Aalaya Studios Private Limited - PSPL
3. Gemmia Worldwide S.A.

### DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. T. V. Balachandran & A. Srinivas, Directors, retire by rotation and being eligible offer themselves for re-appointment.

**AUDITORS**

M/s. R. Ravindran & Associates is due to retire at the conclusion of the Eighteenth Annual General Meeting. M/s. R. Ravindran & Associates has confirmed their eligibility and willingness to accept office, if re-appointed for the financial year 2012–13. Your Directors recommended the re-appointment of M/s. R. Ravindran & Associates, Chartered Accountants as the Statutory Auditors of the Company to hold office from the conclusion of the Eighteenth Annual General Meeting until the conclusion of the Nineteenth Annual General Meeting of the Company.

**CONSOLIDATED FINANCIAL STATEMENTS**

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Clause 32 of the Listing Agreement entered with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

**PARTICULARS OF EMPLOYEES**

Statement of personnel particulars of employees pursuant section 217(2A) of the Companies Act, 1956 are not applicable since none of the employees are in receipt of remuneration in excess of the limits specified herein (Rs.2,00,000 per month or Rs.24,00,000 per annum) during the period under review.

**CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

Your Company does not carry on any manufacturing activities and hence the disclosure requirement in terms of Sections 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding Conservation of Energy and Technology do not apply to your Company.

During the year under review, there was no Foreign Exchange earnings and outgo for your Company.

**CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Managing Director's and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departure have been made from the same;
- ii. appropriate accounting policies have been selected and applied consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and Profit & Loss Account for the year ended March 31, 2012;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis.

**ACKNOWLEDGEMENT AND APPRECIATION**

The Directors take this opportunity to thank the Shareholders, Financial Institutions, Banks, Customers, Suppliers and Regulatory & Governmental Authorities for their continued support to the Company. Further, the Directors wish to place on record their appreciation of Employees at all levels for their hard work, dedication and commitment.

BY ORDER OF THE BOARD  
For **RAM KAASHYAP INVESTMENT LIMITED**,

Sd/-  
**JUDE JEYAPRAKASH**  
*Executive Director*

Sd/-  
**SRINIVAS ADAPA**  
*Director*

Place : Chennai

Date : August 31, 2012



## MANAGEMENT DISCUSSION & ANALYSIS

### 1. BUSINESS PERFORMANCE REVIEW:

The Company has made profits in the financial year 2011-12 after switching over to Entertainment and Media business. The Company and its subsidiaries have reported a top line of Rs.109 million and bottom line of Rs.9.67 million (Consolidated figures). Even during the previous year ended March 31, 2010, the company and its subsidiaries have reported a top line of Rs.82.2 million and bottom line of Rs.6.68 million demonstrating a turnaround in company's fortune, since 2009-10.

### 2. INDUSTRY STRUCTURE AND DEVELOPMENTS

#### *Foray into Oil and Gas Environmental Services:*

Recently, your Company has changed its primary business objective as Oil tech services business vide shareholders approval obtained on April 29, 2011.

Your Company has expanded its activities by entering into oil and natural gas environmental services after altering its main objects contained in the Memorandum of Association. Your Company has acquired 100% stake in an international company, Gemmia Worldwide S.A., by issue of Global Depository Receipts. The main assets of Gemmia Worldwide S.A., being 51% holding in Oil Tech Global Services (DBA), a group of companies engaged in oil sludge treatment, reservoir cleaning services and oilfield and refinery services and equipment sales to oil and gas companies with assets and operations in Russia, Switzerland and beyond.

Oil Tech ("OT") is a group of companies controlled by Gemmia Worldwide S.A. with assets in Russia specializing in processing & disposal of waste sludge from the oil & gas industry. The company has also recently introduced a new service for the automated cleaning of oil storage.

Crude oil lost due to past extraction practices and current inefficiencies and accidents along the petroleum value chain in emerging economies are becoming unacceptable due to increasingly stringent environmental regulations and the high price of oil. It is estimated that in Russia alone, 200 million cubic meters of oily waste can be processed to recover oil and eliminate the environmental hazards. Bringing proven technology to bear in emerging markets from countries with long histories of environmental remediation offers significant profit potential. Gemmia Worldwide has recognized this opportunity and moved to capitalize on it.

Gemmia companies have established supplier relationships with leading Russian petroleum companies, supplying a wide range of oilfield and refinery related equipment. On the back of these supply relationships, environmental services business has been built.

Gemmia is well positioned to build a world class environmental services business because:

- ☞ Russia is the largest oily waste market in the world, with an estimated 200 million cubic meters of sludge in place and a further production of 3.5 million cubic meters per year.
- ☞ The highest levels of the Russian government have recently signaled that environmental problems are to be dealt with and fines for pollution are expected to rise 3-4 times by 2016.
- ☞ The competition is highly fragmented in Russia with currently only 42 small undercapitalized environmental services providers (compared to 3500 environmental services providers in the United States)
- ☞ Gemmia has established supply relationships with large Russian petroleum companies which provide an entry that competitors do not have.
- ☞ Gemmia operates a state of the art 150,000 metric ton oily wastes capacity processing plant in Nefteyugansk, which is the first of at least 12 plants it intends to build over the next five years.

- ☞ Gemmia has an exclusivity agreement for Russia with a U.S. company, Tarmac Intl, the world's leading supplier of LTDD technology.
- ☞ Gemmia have exclusive rights for Supermax automated tank cleaning technology for all markets outside the US and Canada and will be soon manufacturing units with a conservative estimate of building 12 units in place over the next five years.
- ☞ Gemmia strikes business even outside Russia with a presence in Switzerland (a major center of oil trading), India, Indonesia and soon in other countries.

## The Company

Gemmia Worldwide S.A. owns 51% in each of a group of affiliated companies known as Oil Tech Global Services (DBA) ("Oil Tech"). Oil Tech companies are engaged in the petroleum service and supply sector in Russia providing:

- o Environmental services for the petroleum industry
- o Oilfield and refinery equipment supply

The remaining 49% in each of the Oil Tech companies is controlled by Oil Tech management.

## Vision and mission

Gemmia's vision is to become a world class provider of environmental services to the oil and gas industry focusing on high oil producing and consuming countries outside of the highly competitive North American and European markets, while continuing to generate significant cash flow from its oilfield equipment and services businesses.

Gemmia's mission is to increase shareholder value by applying proven cleantech methods to recover lost oil and energy currently polluting the environment and helping our clients to meet increasing stringent environmental regulations.

## History

Oil Tech was formed in 2008 to supply the Russian oilfield equipment supply sector providing a wide range of equipment and services. In early 2010, Oil Tech management spotted the opportunity to supply environmental services to the oil and gas companies with whom Oil Tech had built supplier relationships. This resulted in the construction of a state of the art oily waste processing plant supplying services to Rosneft Yuganskneftegaz, with a second on order and advanced discussions with other customers underway. In 2011, Oil Tech added automated tank cleaning and environmental consulting services to their offerings.

## Products and services

### *Environmental services for the petroleum industry*

Gemmia provides environmental services to the petroleum industry including oily wastes treatment, automated tank cleaning and environmental consulting services. Oily wastes treatment includes oil recovery, drill cuttings treatment, sludge and oil contaminated soil remediation. Gemmia is moving into treatment of special situation wastes such as sulfuric acid tar sludge. Automated Storage Tank Cleaning recovers oil and remediates sludge in storage tanks. Consulting services include: Environmental health and safety (EHS) audits, Waste-management strategies design and implementation, Sustainability programs adoption, Ecological infrastructure EPC services and Environmental research and engineering.

### *Oily Waste Treatment*

Gemmia employs a well tested oily wastes treatment method at its 150,000 metric ton capacity plant in West Siberia at Nefteyugansk, Khanty-Mansi commissioned in February, 2011. Tarmac Int. Inc., one of the leading providers of recycling solutions supplied the plant.