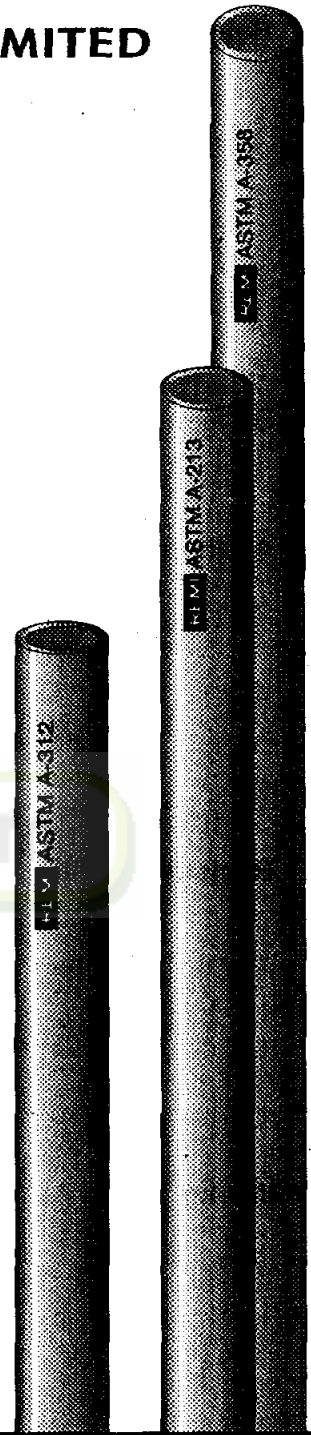


REMI GROUP

RAJENDRA MECHANICAL INDUSTRIES LIMITED

**30th ANNUAL REPORT
2000-2001**

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30th ANNUAL REPORT 2000-2001**Board of Directors**

Shri Vishwambhar C. Saraf

Chairman

Shri Rajendra Prakash Goyal

Shri Mahabir Prasad Jatia

Shri Rajendra C. Saraf

Managing Director

Shri Kamal Dujodwala

Bankers

STATE BANK OF INDIA

Auditors

M/s. Sundarlal, Desai & Kanodia

Chartered Accountants

903, Arcadia, 195, NCPA Road,

Mumbai-400 021.

Registered Office

52, Mittal Court 'A',

Jamnalal Bajaj Marg,

Nariman Point,

Mumbai-400 021.

Report Junction.com

Works

Plot No. N 211/1

M.I.D.C.,

Tarapur,

Maharashtra

RAJENDRA MECHANICAL INDUSTRIES LIMITED**NOTICE**

To
The Members,
Rajendra Mechanical Industries Limited

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Company will be held at the Company's Administrative Office, 11, Cama Industrial Estate, Goregaon(East), Mumbai-400 063, on Saturday, the 29th September, 2001 at 11.30 A.M. to transact the following business:

1. To adopt the audited Balance Sheet as at, and Profit and Loss Account for the year ended 31st March, 2001.
2. To declare Dividend on Preference Shares.

3. To re-appoint as Director Shri Vishwambhar C. Saraf who retires by rotation.
4. To re-appoint as Director Shri Mahabir Prasad Jatia who retires by rotation.
5. To appoint Auditors and to fix their remuneration.

FOR RAJENDRA MECHANICAL INDUSTRIES LTD.

(R.C.SARAF)
MANAGING DIRECTOR

Place : Mumbai
Dated : August 24, 2001

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 Friday, the 21st September, 2001 to Saturday, the 29th September, 2001, both days inclusive.

30th ANNUAL REPORT 2000-2001**DIRECTORS' REPORT**

To
The Members,
Rajendra Mechanical Industries Limited

Dear Shareholders,

We present herewith the Annual Report and Audited Statement of accounts of the Company for the year ended 31st March, 2001.

	(Rs. in Lacs)	
Financial Results	2000-2001	1999-2000
Profit before Depreciation & Taxation	354.86	144.06
Depreciation	72.70	71.14
Taxation	22.25	8.35
	<u>94.95</u>	<u>79.49</u>
Net Profit for the year	259.91	64.57
Add : Balance brought forward	248.80	402.80
Add : Prior year's adjustments	(0.02)	1.70
Profit available for appropriation	508.69	469.07
APPROPRIATION :		
Transfer to Preference Shares	—	170.00
Redemption Reserve	—	—
Transfer to General Reserve	25.00	—
Proposed Dividend on Preference Shares	14.45	41.30
Dividend Tax	1.47	9.09
Sale Tax Deferred Liability of earlier years	337.28	—
Balance carried to Balance Sheet	<u>130.49</u>	<u>248.68</u>
	508.69	469.07

OPERATIONS :

The Company's performance and capacity utilization during the year have improved due to the strong corrective measures taken by it. However, the economic situation in the country continues to be sluggish along with a general negative attitude towards setting up a new project. The Company will try to maintain its performance by taking advantage of its exports along with the local market.

The first phase of the property development has been completed and the same is reflected in these accounts. The second phase is in an advance stage of completion and the same will be reflected in the current year's account.

The revenue from the first phase of the property development has reduced the financial cost incurred by the Company and the second phase will further help the Company to bring down its financial cost.

DIVIDEND :

Your Directors recommend payment of the arrears of dividend at 12% on the 170,000 Preference Shares for which a sum of Rs.14.45 lacs has been set apart.

DIRECTORS :

Shri Vishwambhar C. Saraf and Shri Mahabir Prasad Jatia retire by rotation and are eligible for re-appointment.

AUDITORS :

You are requested to appoint Auditors and fix their remuneration.

The observations made in the Auditors' Report are self explanatory and do not call for any further comment.

INFORMATION PURSUANT TO SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:**A. CONSERVATION OF ENERGY:**

All efforts are being made to conserve energy.

B. TECHNOLOGY ABSORPTION:

Though the Company does not have any foreign collaboration for manufacture, the Company is continuously modernizing and improving its products in quality and has obtained ISO 9002.

C. FOREIGN EXCHANGE OUTGO/EARNING INCLUDING DEEMED EXPORTS:

Outgo Rs.592.97 Lacs (Rs.270.91 Lacs)
Earnings Rs.514.57 Lacs (Rs.368.42 Lacs)

Sec.217(2AA) :

Your Directors state:

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- that the directors had prepared the annual accounts on a going concern basis.

APPRECIATION :

Yours Directors place on record their sincere thanks for the financial support from State Bank of India. They also place on record their appreciation for the dedicated services of the executives, staff and workers of the Company. Your Directors also appreciate the faith you have reposed in the Company and are confident that the Company can depend upon your continued support in its endeavour to grow.

Registered Office:

52-A, Mittal Court,
Nariman Point,
Mumbai-400 021
Place : Mumbai
Dated : August 24, 2001.

ON BEHALF OF THE BOARD

VISHWAMBHAR C. SARAF
CHAIRMAN

RAJENDRA MECHANICAL INDUSTRIES LIMITED**AUDITORS' REPORT**

To,

The Members of Rajendra Mechanical Industries Limited

We have audited the attached Balance Sheet of RAJENDRA MECHANICAL INDUSTRIES LIMITED as at 31st March, 2001 and also the Profit and Loss Account for the year ended on that date annexed thereto and report as under :

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, 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 it appears from our examination of these books;
 - (c) the Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Profit & Loss account and Balance Sheet are in compliance with the Accounting Standards

referred to in section 211 (3C) of the Companies Act, 1956;

- (e) According to the information and explanations given to us and on the basis of written representation received from the directors, taken on record by Board of Directors, no director is disqualified as on 31st March, 2001 from being appointed as a director under section 274 (1) (g) of the Companies Act, 1956;
- (f) in our opinion and to the best of our information and according to the explanations given to us, subject to Note No.3 regarding change in method of accounting of Sales Tax Incentives, read together with other notes thereon, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2001; and
 - (ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

For **SUNDARLAL, DESAI AND KANODIA**,
Chartered Accountants,

(**M. B. DESAI**)
Partner.

PLACE : MUMBAI
DATED : August 24, 2001

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date.)

- (i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, all the assets have been physically verified by the management during the year and no serious discrepancies have been noticed on such verification.
- (ii) None of the Fixed Assets have been revalued during the year.
- (iii) The stocks of finished goods, stores, spare parts and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (iv) In our opinion and according to the information and explanations given to us, the procedures for the verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (v) The discrepancies noticed on verification between the physical stocks and book records were not significant and

the same have also been properly dealt with in the books of account.

- (vi) In our opinion the valuation of the stocks is fair and proper and is in accordance with the normally accepted accounting principles and is on the same basis as in the earlier years.
- (vii) In our opinion, the rate of interest and the terms and conditions on which loans have been obtained from companies, firms, and other parties listed in the Register maintained under Section 301 and from Companies under the same management as defined under Section 370(1-B) of the Companies Act, 1956, are not prima facie prejudicial to the interest of the Company.
- (viii) 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.
- (ix) In our opinion and according to information and explanations given to us, the parties to whom the Company has given loans or advances in the nature of loans have