



## 31<sup>ST</sup> ANNUAL REPORT 2010 – 2011



LABORATORY EQUIPMENTS



MOTORS

# REMI ELEKTROTECHNIK LIMITED

<b>Board of Directors</b>	Shri Vishwambhar C. Saraf Shri Shri Rajendra C. Saraf Shri Sunil Saraf Shri Sandeep Shriya Shri Shyam Jatia Shri Ashish Kanodia Shri Mahendra Chirawawala Shri Harkishan Zaveri Shri Ritvik Saraf	Chairman and Managing Director   Executive Director       Executive Director
<b>Bankers</b>	STATE BANK OF INDIA	
<b>Auditors</b>	M/s. Sundarlal, Desai & Kanodia Chartered Accountants 903, Arcadia, 195, N.C.P.A. Road, Mumbai- 400 021	
<b>Registered Office</b>	REMI House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063	
<b>Works</b>	Survey No.65, Village - Waliv, Vasai (East), Thane – 401 208	

## **NOTICE**

To  
The Members,  
**REMI ELEKTROTECHNIK LIMITED**

**NOTICE** is hereby given that the 31<sup>st</sup> Annual General Meeting of the Company will be held at the Company's Registered Office on **Friday, the 30<sup>th</sup> September, 2011**, at 11.00 A.M. to transact the following business:

1. To adopt the audited Balance Sheet as at, and the Profit and Loss Account for the year ended, 31<sup>st</sup> March, 2011.
2. To re-appoint as Director Shri Shyam Jatia who retires by rotation.
3. To re-appoint as Director Shri Ashish Kanodia who retires by rotation.
4. To re-appoint as Director Shri Mahendra Chirawawala who retires by rotation.
5. To appoint Auditors and to fix their remuneration.

**Registered Office**

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

Dated : 12<sup>th</sup> August, 2011

For **REMI ELEKTROTECHNIK LIMITED**

Sd/-

**(VISHWAMBHAR 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.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 24<sup>th</sup> September, 2011, to Friday, the 30<sup>th</sup> September, 2011, both days inclusive.
3. **Green initiative in Corporate Governance:**

The Ministry of Corporate Affairs vide its circular bearing No.17/2011 dated 21/04/2011 and 18/2011 dated 29/04/2011 has taken a "**Green Initiative in Corporate Governance**" by allowing paperless compliances by Companies through electronic mode. Companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders.

In this regard please register your email address and changes therein from time to time with the Company/Registrar and Transfer Agent or with the concerned depositories.

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## **DIRECTORS' REPORT**

To  
The Members,  
**REMI ELEKTROTECHNIK LIMITED**

Dear Shareholders,

We present herewith the Annual Report and Audited Statements of accounts of the Company for the year ended 31<sup>st</sup> March, 2011.

(` in Lacs)

<b>Financial Results</b>	<b>2010 – 2011</b>		<b>2009 – 2010</b>	
Net Sales		<b>6952.41</b>		5484.62
Other Income		<b>23.45</b>		111.81
		<b>6975.86</b>		5596.43
Profit before Interest & Depreciation		<b>664.47</b>		631.33
Interest	<b>138.82</b>		125.34	
Depreciation	<b>97.42</b>	<b>236.24</b>	90.23	215.57
Gross Profit		<b>428.23</b>		415.76
Provision for Taxation		<b>125.00</b>		120.00
Provision for Deferred Taxation/ (Credit)		<b>18.66</b>		27.02
Net Profit		<b>284.57</b>		268.74
Excess/(Short) provision of taxation of earlier years		<b>0.13</b>		(3.25)
Balance brought forward		<b>511.76</b>		296.27
		<b>796.46</b>		561.76
Transfer to General Reserve		<b>100.00</b>		50.00
Balance carried to Balance Sheet		<b>696.46</b>		511.76
		<b>796.46</b>		561.76

### **OPERATIONS:**

The Sales of both the divisions of the Company, (1) Instrument Division and (2) Motor Division, increased, whereby the total sales of the Company grew from ` 5484.62 Lacs to ` 6952.41 Lacs, having growth of more than 25% from the previous year due to major contribution of the Laboratory Division, Marketing and product development efforts. Net profit after tax increased from ` 265.48 Lacs to ` 284.71 Lacs. However, the operating profit has gone up from ` 303.94 Lacs to ` 404.78 Lacs, a growth of more than 33%. But the Other Income has come down from ` 111.81 Lacs (which includes extraordinary items of ` 93.35 Lacs) to ` 23.45 Lacs, having a growth of ` 4.98 Lacs without any extraordinary items.

Thus the working of the Company for the year is having an overall growth, as compared to the previous year.

### **INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT 1956:**

#### **Sub-Sec. (1)(e) :**

##### **A. CONSERVATION OF ENERGY:**

All efforts are being made to conserve energy.

**B. TECHNOLOGY ABSORPTION:**

The Company is continuously modernizing and improving its products in quality and is having ISO 9001/2000, ISO 13485-2003 and WHO GMP Certification.

**C. FOREIGN EXCHANGE OUTGO/ EARNINGS INCLUDING DEEMED EXPORTS:**

Outgo - ₹ 24.54 Lacs

Earnings - ₹ 236.61 Lacs (including deemed exports & supplies to SEZ)

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

No employee of the Company was in receipt of remuneration equal to or exceeding the prescribed limits.

**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 detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

**APPRECIATION:**

Your Directors place on record their sincere thanks for the financial support from State Bank of India and SIDBI. 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:**

REMI House, Plot No.11,  
Cama Industrial Estate,  
Goregaon (East), Mumbai – 400 063  
Dated: 12<sup>th</sup> August, 2011

**ON BEHALF OF THE BOARD**

**Sd/-**

**VISHWAMBHAR C. SARAF  
CHAIRMAN**

## **MANAGEMENT DISCUSSION AND ANALYSIS:**

Instrument Division products are for medical, hospital, health organizations, all types of testing laboratories and research organizations. The demand for these traditional products has now shifted to high-tech global quality and standards.

The Company is continuously developing new products and upgrading the existing ones to global quality and standard, to meet ever-increasing demand presently met by import. The Company has been growing with this philosophy. We expect growth in demand of the products to continue.

Motor Division's expansion programme of increasing range and production of gear motors and electric motors, which started in the previous year, will be completed by December 2011, with installation of new machinery, equipment and wider range of these motors. Improved sales are expected to be achieved during the year.

## **CORPORATE GOVERNANCE :**

### **1. COMPANY'S BASIC PHILOSOPHY:**

The Company's philosophy – Remi for Reliability – is to undertake its business with integrity, fairness, transparency and accountability and to ensure that adequate internal control systems are devised and put in place so that the interests of shareholders, employees, suppliers and those associated with the Company are protected. The manufacturing is quality and customer focus.

### **2. BOARD OF DIRECTORS:**

During the year, the Board of Directors met 5 (Five) times on 14/05/2010, 09/07/2010, 12/08/2010, 11/11/2010 and 04/02/2011.

#### **COMPOSITION AND CATEGORY OF DIRECTORS:**

Name of Director	Category	Attendance Particulars		Other Boards		
		Annual General Meeting	Board Meetings	Director-ship	Committee Chairmanship	Committee Membership
Mr. V. C. Saraf	Promoter	No	5	3	1	---
Mr. R. C. Saraf	Promoter	Yes	5	5	---	3
Mr. Sunil Saraf	Executive	No	4	1	---	---
Mr. Ritvik V. Saraf	Promoter Executive	Yes	5	3	---	---
Mr. Sandeep Shriya	Executive	No	1	5	---	---
Mr. Shyam Jatia	Independent Non-Executive	No	5	10	---	---
Mr. Ashish Kanodia	Independent Non-Executive	No	4	-	---	---
Mr. Mahendra Chirawawala	Independent Non-Executive	No	2	2	---	---
Mr. Harkishan Zaveri	Independent Non-Executive	No	5	1	---	---

### **3. AUDIT COMMITTEE:**

The Audit Committee has two qualified, independent and non-executive directors and provides assistance to the Board of Directors in fulfilling its responsibilities.

The functions of the audit committee include:

- Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Discussing the adequacy of internal control systems, the scope of audit, internal audit reports and the compliance thereof.
- Recommending the fixation of the audit fee and also approval for payment for any other services of the Auditors.
- Reviewing with management the quarterly and annual financial statements, before submission to the Board.

Attendance of the members at the Audit Committee Meetings held during 2010-2011.

Committee Members	Designation	No. of Meetings	
		Held	Attended
Mr. V. C. Saraf	Member	5	5
Mr. Ashish Kanodia	Chairman	5	5
Mr. Shyam Jatia	Member	5	5

#### **4. SHAREHOLDERS/ INVESTORS GRIEVANCES COMMITTEE:**

The Members of the Committee comprise of Shri. V. C. Saraf, Mahendra Chirawawala and Shri Sunil S. Saraf. Shri V. C. Saraf is the Chairman of the Committee.

The Company had not received any complaints during the year 2010-2011.

#### **5. GENERAL BODY MEETINGS:**

The last 3 Annual General Meetings of the Company were held as under:

DATE	VENUE	TIME	NO. OF SPECIAL RESOLUTIONS
30. 09. 2008	Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai – 400 063	11.00 A.M.	One
30. 09. 2009	- do -	- do -	One
30. 09. 2010	- do -	- do -	One

#### **6. POSTAL BALLOT:**

During the last year, no resolution was passed through Postal Ballot and no resolution is proposed to be passed through Postal Ballot.

#### **7. DISCLOSURES:**

Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.	:	Transactions with related parties are disclosed in Note No 9 of Schedule 21 to the accounts. These transactions are not in conflict with the interests of the Company
Details of non-compliances by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.	:	Nil
Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.	:	The Company has complied with all mandatory requirements of Clause 49 of Listing Agreement.

**8. REMUNERATION TO DIRECTORS:**

(₹ in Lacs)

NAME	DESIGNATION	SALARY	COMMISSION	SITTING FEES
V. C. Saraf	Chairman and Managing Director	32.12	-	-
R. V. Saraf	Executive Director	20.02	-	-
Sunil Saraf	Executive Director	18.79	-	-
R. C. Saraf		-	3.55	0.09
Sandeep Shriya		-	-	0.06
Shyam Jatia		-	-	0.17
Mahendra Chirawawala		-	-	0.08
Ashish Kanodia		-	-	0.14
Harkishan Zaveri		-	-	0.12

**9. BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT:**

Shri Shyam Jatia, Shri Ashish Kanodia and Shri Mahendra Chirawawala, Directors, who are retiring by rotation, are to be re-appointed. The brief resume of these Directors is given herebelow:-

- Shri Shyam Jatia is an industrialist. He is having vast experience to his credit in diversified business activities. His appointment on the board of the company is of great help for the growth of the company.
- Shri Ashish Kanodia is a commerce graduate and he is Chartered Accountant in Practice. He is doing practice in Mumbai from last 13 years. He is the Chairman of the Audit Committee of the Company.
- Shri Mahendra Chirawawal is an engineer with B.E. (Hons.) Degree. He is doing Business of Manufacturing of Packing Articles such as Card Board, Cartons. He is having vast amount of experience to his credit.

**10. MEANS OF COMMUNICATION:-**

The Company regularly intimates its financial results to the Bombay Stock Exchange Limited as soon as the same are approved and taken on record. These financial results are published in The Free Press Journal and Navshakti.

**11. GENERAL SHAREHOLDER INFORMATION:**

The 31<sup>st</sup> Annual General Meeting of the Company will be on **Friday, the 30<sup>th</sup> September, 2011**, at Company's Registered Office, REMI House, Plot No. 11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 at 11.00 A. M.

Financial year of the Company is from 1<sup>st</sup> April, 2010 to 31<sup>st</sup> March, 2011

The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday the 24<sup>th</sup> September, 2011 to Friday, the 30<sup>th</sup> September, 2011, both days inclusive.

**➤ Listing on Stock Exchange:**

Sr. No	Name of the Stock Exchange	Stock Code
1.	Bombay Stock Exchange Limited	512487



➤ **Market Price Data:**

MONTH	HIGH PRICE (₹)	LOW PRICE (₹)
April – 2010	13.07	13.07
May – 2010	13.07	13.07
June – 2010	13.07	13.07
July – 2010	13.07	13.07
August – 2010	13.07	13.07
September – 2010	13.07	13.07
October – 2010	13.07	13.07
November – 2010	13.07	13.07
December – 2010	13.07	13.07
January – 2011	13.07	13.07
February – 2011	13.07	13.07
March – 2011	13.20	13.07

➤ **Registrar and Transfer Agents:**

Bigshare Services Private Limited, E-2&3, Ansa industrial estate,  
Saki Vihar road, SakiNaka, Andheri (E), Mumbai – 400 072  
Tel: 22 28470652/ 40430200 / 28470653  
Fax: 22 28475207  
E-mail: investor@bigshareonline.com  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

"Our RTA, Bigshare Services Private Limited has launched Gen-Next Investor Interface Module " i'Boss " the most advanced tool to interact with investors. Please login into i'Boss ([www.bigshareonline.com](http://www.bigshareonline.com)) and help them to serve you better."

➤ **Share Transfer system:**

The transfers received by the Company or Registrar and Transfer agents in physical form are processed and Share Certificates are dispatched.

➤ **Distribution of Shares:**

Distribution of Shareholding as on 31<sup>st</sup> March, 2011.

No. of Equity Shares Held	No. of Shareholders	% of Total Holders	Total No. of Shares	% of total Capital
Upto 5000	123	87.86	12,896	0.27
5001 – 10000	4	2.86	2,710	0.06
10001 – 20000	1	0.71	1,300	0.03
20001 – Above	12	8.57	4,848,094	99.65
<b>TOTAL :</b>	<b>140</b>	<b>100.00</b>	<b>4,865,000</b>	<b>100.00</b>

Categories of Shareholders as on 31<sup>st</sup> March, 2011

CATEGORY	NO OF HOLDERS	NO OF SHARES	% OF TOTAL SHARE HOLDING
Individuals	127	1821336	37.44
Companies	13	3043664	62.56
FII's, NRIs & OCBs	0	0	0.00
Mutual Funds, Banks & FIs	0	0	0.00
<b>TOTAL :</b>	<b>140</b>	<b>4865000</b>	<b>100.00</b>

➤ **Dematerialization of Shareholding:**

As on 31<sup>st</sup> March, 2011, 4854160 equity shares constituting 99.78% have been dematerialized.

➤ **Plant Location:**

The manufacturing facility of the Company is located at the following address:  
Survey No. 65, Village – Waliv, Vasai (East) Thane – 401 208

➤ **Address for Correspondence:**

<b><u>Registered &amp; Corporate Office:</u></b> REMI HOUSE Plot No. 11, Cama Industrial Estate, Goregaon (E) Mumbai – 400 063 Ph. No. 022-4058 9888 Fax No. 022-26850888 Email: vsiyer@remigroup.com rei_igrd@remigroup.com	<b><u>Registrar and Share Transfer Agent:</u></b> Bigshare Services Private Limited E-2&3, Ansa industrial estate, Saki Vihar Road, Andheri (E) Mumbai – 400 072 Ph. No.: 022-2847 0652/ 4043 0200 Fax No.:022-2847 5207 Email: investor@bigshareonline.com
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**ON BEHALF OF THE BOARD**

**Sd/-**

Place: Mumbai  
Dated: 12<sup>th</sup> August, 2011

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

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