

35th Annual Report

2014-15

Remi Sales And Engineering Limited

**Regd. Office : REMI House, Plot No.11, Cama Industrial Estate,
Goregaon (East), Mumbai – 400 063**

Board of Directors:	Shri Sandeep Kasera Shri Vinod C. Jalan Shri M.P. Sharma Smt. Archana Bajaj	Whole-Time Director Director Independent Director Independent Director
Chief Financial Officer	Shri Paras Bafna	
Bankers	STATE BANK OF INDIA	
Auditors:	M/s. Sundarlal, Desai & Kanodia Chartered Accountants 903, Arcadia, 195, N.C.P.A. Road, Mumbai- 400 021	
Registered Office:	REMI House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 Ph.: 022-40589888, Fax: 022-26852335	
CIN:	L31100MH1980PLC022314	
Sales & Service Branches:	Ahmedabad, Bangaluru, Chennai, Goa, Hyderabad, Indore, Kanpur, Kochi, Kolkata, Mumbai, Nagpur and New Delhi	
Wind Power:	Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra	

NOTICE

To

The Members,

REMI SALES AND ENGINEERING LIMITED

NOTICE is hereby given that the 35th Annual General Meeting of the Company will be held at its Registered Office, on **Wednesday, the 30th September, 2015**, at 3.00 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 re-appoint as Director Shri Vinod C. Jalan (DIN:00087424), who retires by rotation.
3. 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 Sundarlal, Desai & Kanodia, Chartered Accountants (Firm Registration No. 110560W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 36th 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 : Ordinary Resolutions

4. To re-appoint the Shri Sandeep Kasera (DIN:00156800), Whole-Time Director.

“RESOLVED THAT Shri Sandeep Kasera (DIN:00156800) be and is hereby re-appointed as the Whole-Time Director of the Company for a term of 3 years from the 1st February, 2015, to manage the affairs of the Company, on the following terms and conditions: -

- a) Basic Salary Rs.1,46,000/- per month.
- b) House Rent Allowance being 10% of the basic salary per month.
- c) Free use of the Company's Car with driver.
- d) Telephone at residence and Mobile Phone.
- e) Medical Expenses Rs.1250/- per month.
- f) Reimbursement of electricity charges at residence.
- g) Bonus as per the rules of the Company with a ceiling of 20% of the annual basic salary.
- h) Leave Travel allowance not exceeding one month's basic salary per annum.
- i) Provident Fund, Leave encashment and Gratuity as per the rules of the Company.

“FURTHER RESOLVED THAT the Board of Directors of the Company shall have power to grant annual increments to the Whole-Time Director upto a limit of 20% of the total emoluments of the previous financial year, effective from the 1st April, 2015. However, the overall remuneration shall not exceed the limits specified in Section II, Part II of Schedule V to the Companies Act, 2013.”

5. To revise remuneration of Shri Sandeep Kasera (DIN:00156800), Whole-Time Director.

“Resolved that the remuneration being paid to Shri Sandeep Kasera, the Whole-Time Director of the Company, be and is hereby revised as follows, with effect from the 1st April, 2015.

- a) Basic Salary Rs.1,72,000/- per month.
- b) House Rent Allowance being 10% of the basic salary per month.
- c) Free use of the Company's Car with driver.
- d) Telephone at residence and Mobile Phone.
- e) Medical Expenses Rs.1250/- per month.
- f) Reimbursement of electricity charges at residence.

- g) Bonus as per the rules of the Company with a ceiling of 20% of the annual basic salary.
- h) Leave Travel allowance not exceeding one month's basic salary per annum.
- i) Provident Fund, Leave encashment and Gratuity as per the rules of the Company.

"FURTHER RESOLVED THAT the Board of Directors of the Company shall have power to grant annual increments to the Whole-Time 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 SALES AND ENGINEERING LTD.**

Regd. Office

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

Sd/-

SANDEEP KASERA
WHOLE-TIME DIRECTOR
(DIN:00156800)

Date: 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 rse_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 35th 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 the 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. In case 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. 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; "**Remi Sales 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 SALES AND ENGINEERING 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 **rselscrutinizer@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	User ID	Password/ PIN
(Remote E-voting Event Number)		

- (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).
10. 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.
11. 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.
12. 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.
13. 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.
14. 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.
15. 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.
16. An Explanatory Statement relating to the item of special business set out in item Nos. 4 & 5 accompanies.

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

Item No. 4 & 5

Shri Sandeep Kasera (48), a graduate and having experience in the field of production, manufacturing, trading, sales and operations. He was first appointed on the board of the director on 01/01/2001. He holds 50 equity shares in the Company. He attended 5 (five) meetings of the Board of Directors during the year 2014-15. He is on Board of Satya Plastics Trade Pvt. Ltd. and S N K Viniyog Pvt. Ltd. He has been re-appointed as Whole-Time Director of the Company in the meeting held on the 14th February, 2015 for a further period of three years from the 1st February, 2015, on a revised pay scale as set out in the resolution. This appointment is to be approved at this Meeting. Further, his remuneration have been revised from 1st April, 2015, in the meeting held on the 14th August , 2015. His earlier monthly Remuneration was Rs.1,24,000/ plus other benefits and perquisites

He is to be deemed to be interested in this item of business.

General Information:

- (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 Ordinary Resolutions.

Your Directors commend the resolutions for your approval.

DIRECTORS' REPORT

To
The Members,
REMI SALES AND ENGINEERING LIMITED

Your Directors present to you herewith the audited accounts of the Company for its financial year ended 31st March, 2015.

(₹ in Lacs)			
Financial Results	2014 – 2015		2013 – 2014
Sales	13226.69		15863.71
Other Income	6.91		48.12
	13233.60		15911.83
Profit before Finance Costs, Depreciation and Tax (EBIDTA)	167.54		224.22
Finance Costs	7.54		29.28
Depreciation	29.65		35.54
Taxation	51.94	89.13	50.10
			114.92
Net Profit	78.41		109.30
Balance brought forward	1001.70		901.79
	1080.11		1011.09
Appropriations			
Transfer to General Reserve	15.00		10.00
Net surplus in the statement of Profit & Loss	1065.11		1001.09
	1080.11		1011.09

OPERATIONS :

The Working of the Company has resulted in the net profit of ₹ 78.41 lakhs as compared to ₹109.30 lakhs during previous year. The working of the Company adversely affected due to slow down in the Indian economy for last two years. With the new government stabilizing at the Centre, the company is looking for the improvement in economy and business climate. The Company has exposure in NSEL to the extent of ₹ 475.86 lakhs after writt off ₹ 158.62 lakhs during the year. 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.

DIRECTOR:

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 Vinod C. Jalan (DIN:00087424) retires by rotation and is to be re-appointed.

Shri Vinod Jalan (59), a graduate, having vast experience in the field of manufacturing, production, Trading and various other areas related to operations. He has work experience of more than 30 years in this field. His involvement with the Company is beneficial to the Company

and stakeholders. He was first appointed on the Board of Directors w.e.f. 31/01/2006. He attended 5 (Five) board meetings during the Year 2014-15.

CHANGES OF DIRECTORS AND KEY MANAGERIAL PERSONNEL DURING THE YEAR:

Smt. Archana Bajaj was appointed as Non-Executive Independent Director of the Company w.e.f.14.08.2014. Shri Paras Bafna, Chief Financial Officer, has been designated as Key Managerial Personnel of the Company.

BOARD MEETINGS:

During the year, 5 (Five) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Act. Details of Board and Board committee meetings held during the year are given in the Corporate Governance Report.

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 Sundarlal, Desai & Kanodia, Chartered Accountants (Firm Registration No.110560W) shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment M/s Sundarlal, Desai & Kanodia, Chartered Accountants (Firm Registration No.110560W) 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 1.3 to the 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:

All efforts are being made to conserve energy.

- i. the steps taken or impact on conservation of energy;
- ii. the steps taken by the company for utilising alternate sources of energy;
- iii. the capital investment on energy conservation equipments;

(B) Technology absorption:

- i. the efforts made towards technology absorption;
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution;
- 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;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development

The Company is not a manufacturing company; hence the particulars relating to conservation of energy and technology absorption are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings	Nil
Outgo	₹ 2478.02 Lacs

AUDIT COMMITTEE:

The Audit Committee comprises of Shri Mahabir Prasad Sharma, Shri Sandeep Kasera and Smt. Archana Bajaj.

RISK MANAGEMENT:

The Company has laid down a risk management policy identifying Business Risk and Insurance risk. The senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, etc.

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS, BOARD, COMMITTEES AND DIRECTORS:

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of non-executive directors.

DEPOSITS:

The Company has not accepted any deposits from the public falling within the purview of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

INTERNAL CONTROL SYSTEM:

The Company has in place adequate internal financial controls with reference to financial statements. The internal financial controls are adequate and are operating effectively.

SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

VIGIL MECHANISM:

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. The same is posted on the website of the Company.

EXTRACT OF THE ANNUAL RETURN:

The extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure - B”.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule, 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.