

Power
to grow

ANNUAL REPORT 2006-07

RICOH

RICOH INDIA LIMITED
www.ricoh.co.in



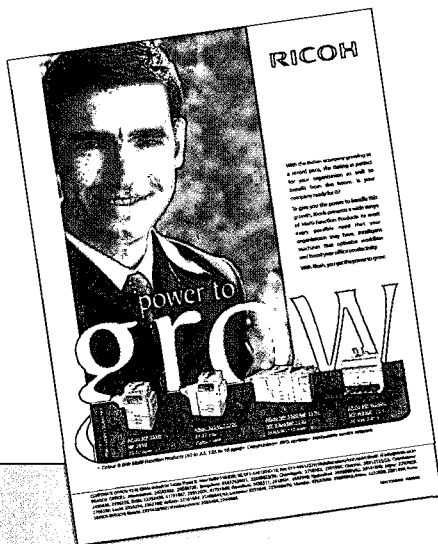
Growth strategies for the next year

The senior management team of Ricoh India Limited, led by the President & CEO, met for a strategy review meeting to discuss growth strategies and initiatives for the financial year 2007-08.



Ricoh Global Eco Action on World Environment Day

Ricoh India commemorated 5th June as 'Ricoh Global Eco Action 2007', the day when Ricoh Group employees worldwide take up energy-saving activities. In India, the main message was - 'Save electricity. Switch off power to hoardings, signboards, lights, computers, fans and ACs.'



Ricoh gives you the 'Power to Grow'

Ricoh India's just concluded press campaign reflects the Indian economy's new-found confidence and optimism. It positions the brand as an essential enabler for any company with ambitious growth plans. The ad features the wide range of models marketed by Ricoh, fulfilling document needs of a whole range of organisations.

highlights 2006-07

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Annual General Meeting on Tuesday, the 18th September, 2007
at 10.00 A.M. at the Sunville Banquets, 9, Dr Annie Besant Road,
Worli, Mumbai- 400 018

RICOH INDIA LIMITED**BOARD OF DIRECTORS**

Mr. Kazuo Togashi Chairman
 Mr. D. C. Singhanian
 Mr. U. P. Mathur
 Mr. I. Uehara
 Mr. M. Yoshino
 Mr. M. Shiratori

AUDIT COMMITTEE

Mr. U.P.Mathur
 Mr. D. C. Singhanian
 Mr. M. Yoshino

PRESIDENT & CEO

Mr. N. Maitra

COMPANY SECRETARY

Mr. Avneesh Chopra

BANKERS

The Mizuho Corporate Bank Ltd.
 The Bank of Tokyo – Mitsubishi UFJ Ltd.

AUDITORS

M/s Sahni Natarajan & Bahl
 Chartered Accountants
 303, Mansarovar 90, Nehru Place
 New Delhi – 110 019

**REGISTRAR & SHARE
TRANSFER AGENTS**

MCS Limited
 Srivenkatesh Bhavan
 W-40, Okhla Industrial Area, Phase II
 New Delhi – 110 020

FACTORY

A- 9, GIDC Electronic Estate
 'K' Road, Sector 15, Gandhinagar
 Gujarat – 382 044

Block-GP, Sector V,
 Salt Lake Electronic Complex,
 Kolkata- 700 091.

REGISTERED OFFICE

1104, Arcadia,
 195, N.C.P.A. Road,
 Nariman Point, Mumbai – 400 021

CORPORATE OFFICE

52 B, Okhla Industrial Estate
 Phase III, New Delhi – 110 020

NOTICE

Notice is hereby given that the **14TH ANNUAL GENERAL MEETING** of the Members of **RICOH INDIA LIMITED** will be held at the Sunville Banquets, 9, Dr Annie Besant Road, Worli, Mumbai- 400 018 on Tuesday, the 18th September, 2007 at 10.00 A.M. to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2007 and the Profit and Loss Account for the year ended as on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. U. P. Mathur, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. D. C. Singhania, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 384, 385, 386, 387, 388 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956 {including any modification(s) or re-enactment(s) thereof for the time being in force} and pursuant to Articles of Association of the Company, all necessary approvals, consent, permission and/or sanctions of the Central Government and all other appropriate authorities, institutions and bodies, to the extent necessary and subject to such conditions and modifications as may be prescribed or imposed by them in granting any such approval, permission, consent or sanction, which may be agreed to, by the Board of Directors of the Company or any Committee thereof, the consent of the Company be and is hereby accorded to the appointment and payment of remuneration (including “Minimum Remuneration” in case of absence or inadequacy of profits) to Mr. N. Maitra, as the Manager of the Company, as defined in Section 2 (24) of the Companies Act, 1956 and to be designated as President and CEO for a period of 3 years w.e.f. 1st April 2007 to 31st March 2010 on the following remuneration as approved and recommended by the Remuneration Committee and upon such terms and conditions as given below:

Remuneration**(a) Basic Salary:**

Rs 3,60,000 (Rupees Three Lac Sixty Thousand Only) per month.

(b) Special Allowances and Perquisites: -

In addition to salary, the following perquisites / allowances / retiral benefits shall be allowed to the President & CEO, subject however, that in no case the value of such benefits / perquisites / allowances / retiral benefits as enumerated in category A to category D, exceeds Rs 3,90,000 (Rupees Three Lac Ninety Thousand only) per month.

Category-A**i) Housing**

The Company shall provide furnished accommodation to the President & CEO. If the President & CEO has his own accommodation, the Company shall pay house rent allowance.

ii) Leave Travel Concession

The Company shall provide leave travel fare for the President & CEO and his family.

iii) Other Allowances

The President & CEO may be given other allowances, benefits and perquisites as the Company may decide from time to time. The aggregate value of perquisites for the year shall be computed as per the provisions of the Income Tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income Tax Act, the perquisite value of such benefit shall be taken at actual cost.

iv) Medical Reimbursement

Medical expenses actually incurred for self and family, shall be reimbursed by the Company. The value of such reimbursement shall be part of and included in the value of perquisites and allowances as aforesaid.

Category-B

i) The Company shall contribute towards Provident Fund / Superannuation Fund provided that such contributions either singly or put together not exceed the tax free limit prescribed under the Income Tax Act.

ii) In the event the term of the President & CEO expires or terminates earlier for whatever reason, the President & CEO shall be entitled to encash the value of the contributions so made to the Superannuation / Pension / Gratuity fund including accrued interest, if any. However, all such withdrawals shall be subject to such taxes as may be applicable as per the Income Tax Act, 1961 or any other Act / Law for the time being in force.

iii) The Company shall pay Gratuity as per rules of the Company.

iv) Leave on full pay and allowances as per rules of the Company.

Category-C

The Company shall provide car with driver at the entire cost of the Company for use of Company's business. The Company shall provide telephone facility at the residence of the President & CEO at the entire cost of the Company.

Category-D**Performance Linked Bonus:**

The President & CEO will be eligible for performance linked bonus as determined by his superior from time to time. However, the same shall be included in the overall limit specified under clause (b) above.

Minimum Remuneration:

During the currency of the tenure of the President & CEO, if the Company has no profits or its profits are inadequate in any financial year, the remuneration determined as payable by the Company, within the aforesaid limits, shall become the minimum remuneration payable to the President & CEO.

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution:**

“RESOLVED THAT Mr. Kazuo Togashi, who was appointed as an Additional Director with effect from 28th June 2007 by the Board of Directors, and who holds office as such upto the date of this meeting and is eligible for appointment as Director, and in respect of whom notice under Section 257 of the Companies Act, 1956 has been received, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modifications, the following resolution as **Special Resolution:**

“RESOLVED THAT in accordance with the provisions of section 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and whereas the proposed appointment fulfils the conditions specified in Part I of Schedule XIII to the Companies Act, 1956, Mr. M. Shiratori be and is hereby re-appointed as Whole Time Director of the Company for a period of three years with effect from 1st August 2007 not liable to retire by rotation.”

“RESOLVED FURTHER THAT Mr. M. Shiratori will draw remuneration by way of Salary and perquisites (Housing, LTA, Medical Reimbursement, Other Allowances Telephone, Club Fee, Personal Accident Insurance, Car, Petrol, Driver, Provident Fund, Gratuity, Superannuation) the aggregate of which shall not exceed a sum of Rs 76,32,000/- (Rupees Seventy Six Lacs Thirty Two Thousand Only) per annum, as approved & recommended by Remuneration Committee subject to the over all limit as per the provisions of Schedule XIII.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to execute agreement with Mr. M. Shiratori on behalf of the Company within the above said terms and conditions, subject to such modifications thereof as may be agreed to by the Board and Mr. M. Shiratori.”

“RESOLVED FURTHER THAT Mr. M. Shiratori shall devote whole of his time and attention to the business and affairs of the Company and shall perform and discharge all such duties and responsibilities as may be entrusted to him by the Board of Directors and shall exercise his powers subject to the superintendence control and direction of the Board.”

NOTES:

- a) An explanatory statement under section 173(2) of the Companies Act, 1956 in respect of the Special Business to be transacted at item No 5, 6 & 7 is annexed hereto.
- b) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY FORM MUST REACH THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE MEETING.**
- c) The Register of Members and the Share Transfer Books of the Company shall remain closed from 11th September 2007 to 18th September 2007 (both days inclusive).
- d) **Members are requested to intimate the change, if any, in their Registered Address only to the Company at its Corporate Office Address at 52-B, Okhla Industrial Estate, Phase-III, New Delhi - 110020.**
- e) Members seeking further information about the accounts are requested to write to the Company at the Corporate Office address at New Delhi at least 2 weeks before the date of the meeting giving details of the information required.
- f) Pursuant to Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended 31st December 1996 and thereafter **declared by erstwhile M/s Gestetner (India) Ltd.** and which remain unclaimed for a period of 7 Years will be transferred by the Company to the Investor Education and Protection Fund (IEP Fund) established by the Central Government pursuant to Section 205C of the Companies Act, 1956. Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial Year Ended	Date of Declaration of Dividend	Due date for transfer to IEP Fund
31.12.1999	30.06.2000	17.08.2007
31.12.2000	30.06.2001	05.08.2008
31.12.2001	11.04.2002	17.05.2009

Shareholders who have not so far encashed the dividend warrant(s) are requested to make their claim(s) to the Company's Secretarial Department immediately. **Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which are unclaimed and unpaid for a period of 7 years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

- g) As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report at the Meeting.

By Order of the Board of Directors
For **RICOH INDIA LIMITED**

Place: New Delhi
Date: 31st July 2007

(Avneesh Chopra)
Company Secretary

Registered Office:
1104, Arcadia, 195, NCPA Road,
Nariman Point, Mumbai - 400 021

ANNEXURE TO NOTICE**Explanatory Statement as required under Section 173(2) of the Companies Act, 1956**

In terms of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts, relating to the Special Business of Item No. 5, 6 & 7 of the accompanying notice dated 31st July 2007.

Item No. 5

The Board of Directors of the Company has at its meeting held on 30th March 2007 appointed Mr. N. Maitra as the President and CEO (Manager under the provisions of the Companies Act, 1956) effective from 1st April 2007 for a period of 3 years, subject to the superintendence, control and direction of the Board. On approval of the Remuneration Committee which was accorded at its meeting held on 7th June 2007, the Company has entered into the Employment Agreement with Mr. N. Maitra. The relevant details are as under:-

Statement, pursuant to the provisions of Part II of Schedule XIII to the Companies Act, 1956**I GENERAL INFORMATION:-**

Nature of Industry

Date or expected date of commencement of commercial production

Financial performance:-

**Office Automation
Not Applicable
Amount in Rs. 000's**

Financial Parameters	Year 2006-07 <i>Audited</i>	Year 2005-06 <i>Audited</i>	Year 2004-05 <i>Audited</i>
Net Sales	1932367	1672254	1527386
Net Profit/(Loss)			
as per Profit & Loss Account	280608	159744	157934
Amount of Dividend Paid	Nil	Nil	Nil
Rate of Dividend Declared	NA	NA	NA
Export performance and net foreign exchange collaborations	-	-	-

Foreign Investment or collaborators, if any : 73.60% (Promoter Holding)

II INFORMATION ABOUT THE APPOINTEE:**1) Background details.**

Mr. N. Maitra is a qualified professional. He is B.SC (Engg) with an experience of 32 years in the filed of Sales & Marketing including almost 14 years in the office automation industry. He joined the Company on 7th October 1998 as Sr. Vice President and on 1st October 2003 was promoted to the rank of Managing Director of the Company. The said position was held by him till 7th July 2005. Pursuant to the re-organisation and restructuring of the Company after the merger with erstwhile Gestetner (India) Limited he was appointed as Executive Consultant & Project Head -Transition Management to facilitate the process of merger. Over the years, Mr. Maitra has contributed significantly towards achieving year on year growth & profitability of the Company.

2) Past Remuneration

Organization	Designation	Duration	Salary & Perquisite (Rs)	Commission (Rs)	Contribution to P.F and other Funds (Rs)	Total (Rs)
Ricoh India Limited	Executive Consultant & Project Head- Transition Management	1st April, 2006 to 31st March,2007	4755009	-	601840	5356849

3) Recognition and Reward

Some of the significant achievements are mentioned below:

- Sustained efforts to bring down the cost of operations. This has been achieved by bringing in overall operational efficiency, increase in productive levels, retention and training of key managerial talents.
- Successful integration of merger of the Company with erstwhile Gestetner (India) Limited. As the head of Transition Management he has contributed immensely towards integrating culture, process, systems of the Company with erstwhile Gestetner (India) Limited
- Design and Implementation of new systems and process, which lead to marked improvement in the operational efficiency.

4) Job Profile and his suitability:

The Board of Directors of Ricoh India Limited has appointed Mr. N. Maitra as President & CEO of the Company (Manager under the provisions of the Companies Act, 1956) under section 269 read with Schedule XIII, 198, 309, and other applicable provisions of the Companies Act, 1956 for a period of three years w.e.f. 1st April 2007. It may kindly be noted that keeping in mind the marked improvement in the performance of the Company and consequent upon the merger of GIL and RIL, the operations and profitability of the Company have been enlarged. The Company is a dominant player in the Indian office automation market. Since the operations and activities of the Company have enlarged manifold an experienced person like Mr. N. Maitra is required, who has expertise in Sales, Marketing, Human Resources and Commercial aspects of business.

5) Remuneration proposed**Remuneration****(a) Basic Salary:**

Rs 3,60,000 (Rupees Three Lac Sixty Thousand Only) per month.