



18th ANNUAL REPORT

2010-11

RICOH

RICOH INDIA LIMITED
www.ricoh.co.in

Committed to sustainable environmental management

In 2011, Ricoh was named one of 'Global 100 Most Sustainable Companies in the World' for the seventh consecutive year. With its Total Green Office Solutions, Ricoh helps customers save substantial costs, while reducing their carbon footprint.

Managed Document Services

MPS and Beyond

RICOH

THE KNOWN

Document related expenditures typically observed are 10% of total document costs

10%

Technology Acquisition
Maintenance Contracts
Supply Prices

THE UNKNOWN

Document related expenditures typically unobserved are 90% of total document costs

47%

Document / Records Management

28%

Loss of End User Productivity

10%

IT Support / Infrastructure

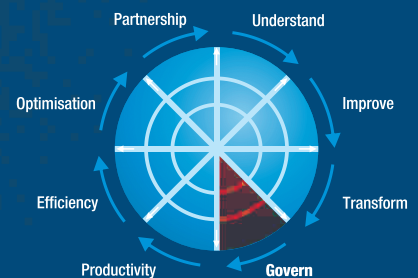
5%

Administrative Costs

Source: All Associates Group

Identify the hidden savings in your output fleet.

With Ricoh's Managed Document Services, you will see a dramatic increase in your document efficiency, security and compliance. At the same time you will experience a significant reduction in costs and your impact on the environment. Our goal of continuous improvement is driven by your specific needs, and delivery of the technology, processes and services that improve workflow, without any disruption in your business routine. With MDS, you get an expert to lift the burden of managing your data, and also help you achieve ongoing cost reduction while making green leadership part of your culture.



CONTENTS	
Company Particulars	2-2
Notice of the Annual General Meeting	3-9
Directors' Report	10-17
Management Discussion & Analysis	18-20
Corporate Governance Report	21-28
Practising Company Secretary's Certificate on Corporate Governance	29-29
Declaration on Compliance of Code of Conduct	29-29
Auditors' Report	30-33
Balance Sheet	34-34
Profit & Loss Account	35-35
Schedule forming part of the Balance Sheet and Profit & Loss Account	36-45
Notes to Accounts	46-56
Cash Flow Statement	57-57
Balance Sheet Abstract and Company's General Business Profile	58-58
Annual General Meeting on Tuesday, the 20 th September, 2011 at 9.30 A.M. at VITS, Andheri-Kurla Road, International Airport Zone, Andheri (E), Mumbai- 400 059	

RICOH INDIA LIMITED

BOARD OF DIRECTORS

Mr. N. Majima	Non-Executive (Chairman)
Mr. T. Takano	Managing Director & CEO
Mr. D. C. Singhanian	Non-Executive (Independent)
Mr. U. P. Mathur	Non-Executive (Independent)
Mr. R. K. Pandey	Non-Executive (Independent)
Mr. M. Ishida	Non-Executive

AUDIT COMMITTEE

Mr. U.P. Mathur	Non-Executive (Independent)
Mr. D. C. Singhanian	Non-Executive (Independent)
Mr. R.K. Pandey	Non-Executive (Independent)
Mr. M. Ishida	Non-Executive

CHIEF FINANCIAL OFFICER

Mr. Manoj Kumar

COMPANY SECRETARY

Mr. Manish Sehgal

BANKERS

The Mizuho Corporate Bank Limited
The Bank of Tokyo – Mitsubishi UFJ Ltd.
Citibank N.A.

AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENT

MCS Limited
F-65, 1st Floor,
Okhla Industrial Area,
Phase-I, 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

1201, Building No. 12,
Solitaire Corporate Park
Andheri Ghatkopar Link Road
Andheri East, Mumbai-400 093

CORPORATE OFFICE

2nd Floor, Salcon Aurum Building
Plot No. 4, District Centre, Jasola
New Delhi-110025

NOTICE

Notice is hereby given that the **18th ANNUAL GENERAL MEETING** of the Members of **RICOH INDIA LIMITED** will be held at -

Venue	VITS Andheri - Kurla Road, International Airport Zone, Andheri (E), Mumbai – 400 059
Day	Tuesday
Date	20 th September, 2011
Time	9:30 AM

to transact the following businesses: -

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2011, the Balance Sheet as at that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. M.Ishida, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. R.K.Pandey, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory 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 an **Ordinary Resolution**:

“RESOLVED THAT Mr. Tetsuya Takano who was appointed as an Additional Director with effect from 1st April, 2011 by the Board of Directors, and who holds office as such upto the date of this Annual General Meeting and is eligible for re-appointment as Director, and in respect of whom, notice under Section 257 of the Companies Act, 1956 alongwith requisite deposit has been received, be and is hereby appointed as a Director of the Company whose office shall be liable to determination by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 269, 198, 309 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 authority(ies), 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 members 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. Tetsuya Takano, as the Managing Director of the Company, as defined in Section

2(26) of the Companies Act, 1956 and to be designated as Managing Director and Chief Executive Officer of the Company with effect from 1st April, 2011 to 31st March, 2014 on the following remuneration as approved and recommended by the Remuneration Committee and upon such terms and conditions as given below:-

Salary:-

Rs 1,85,000/- (Rupees One Lac Eighty Five Thousand only) per month.

Perquisites:-

Fully furnished accommodation at Company's expense

Leave Fare Assistance – Return Air Fare to Japan twice a year

Provident Fund, Superannuation Fund and Gratuity – As per the Company's policy.

Company maintained Chauffeur driven Air Conditioned Car.

In addition to the above, he will be entitled to receive all other benefits and perquisites as applicable to other employees of his grade in the Company.

“RESOLVED FURTHER THAT the aggregate of the remuneration payable to Mr. Tetsuya Takano, Managing Director and Chief Executive Officer of the Company as detailed above shall be subject to the overall ceilings laid down under Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

“RESOLVED FURTHER THAT during such time as Mr. Tetsuya Takano holds and continues to hold the office of the Managing Director and Chief Executive Officer of the Company, he shall not be liable to retirement by rotation as a Director.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the terms and conditions of remuneration in accordance with the laws from time to time in force and as agreed to by the said Mr. Tetsuya Takano.

“RESOLVED FURTHER THAT notwithstanding anything contained herein above, where, in any financial year of the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Tetsuya Takano shall be governed by and be subject to the ceilings provided under Section II of Part II of Schedule XIII to the Companies Act, 1956 or such other limits as may be prescribed by the Central Government from time to time as minimum remuneration.”

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

Place: New Delhi
Date: 21st July, 2011

Manish Sehgal
Company Secretary

Registered Office:
1201, First Floor, Building No. 12,
Solitaire Corporate Park,
Andheri-Ghatkopar Link Road
Andheri East
Mumbai-400 093

NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED AND STAMPED, MUST REACH THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME OF COMMENCEMENT OF THIS MEETING.**
- b) The Register of Members and the Share Transfer Books of the Company shall remain closed from 09th September 2011 to 20th September 2011 (both days inclusive).
- c) **Members are requested to intimate the change, if any, in their Correspondence Address to the Company at its Corporate Office Address at 2nd Floor, Salcon Aurum Building, District Centre, Jasola, New Delhi-110025 or to the Company's Registrar and Share Transfer Agent.**
- d) Members/Proxies should bring their duly filled Attendance Slip for attending this Meeting.
- e) All documents, transfers, demat requests and other communications in relation thereto should be addressed to the Company's Registrar & Transfer Agent M/s MCS Limited at their office situated at, F-65, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi – 110 020.
- f) 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.
- g) The dividend for the financial year ended 31st March, 2008 was declared by the Company. Pursuant to Section 205A(5) of the Companies Act, 1956, the dividend which shall 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 this 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 st March, 2008	10 th September, 2008	16 th October, 2015

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 lie 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.**

It is hereby informed that pursuant to section 205C of the Companies Act, 1956 all dividends declared by the erstwhile M/s Gestetner India Limited have been duly transferred to the IEP Fund.

- h) 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 own copies of the Annual Report at the Meeting.
- i) Explanatory statement as required under section 173(2) of the Companies Act, 1956 in respect of Special Business under item no. 5 and 6 is annexed.

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 the accompanying notice dated 21st July 2011.

Item No. 5 & 6

The Board of Directors of the Company had at its meeting held on 1st April, 2011 appointed Mr. Tetsuya Takano as an Additional Director & Managing Director and Chief Executive Officer of the Company under the provisions of the Companies Act, 1956 with effect from 1st April, 2011 for a period of three years till 31st March, 2014.

The Remuneration Committee of the Board of Directors in its meeting held on 1st April, 2011 have also approved payment of remuneration to Mr. Tetsuya Takano.

The relevant details are as under:-

Statement, pursuant to the provisions of Part II of Schedule XIII of the Companies Act, 1956

I GENERAL INFORMATION:-

Nature of Industry

Office Automation

Date or expected date of commencement of commercial production

Not Applicable

Financial performance:-

Amount in Rs. 000's

Financial Parameters	Year 2010-11 <i>Audited</i>	Year 2009-10 <i>Audited</i>	Year 2008-09 <i>Audited</i>
Net Sales	2,961,521	2,565,312	2,419,330
Net Profit/(Loss) before tax as per Profit & Loss Account	254,305	277,967	196,008
Amount of Paid/Proposed Dividend	Nil	Nil	Nil
Rate of Declared/Proposed Dividend	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. T.Takano aged 56 years is a qualified professional. He is a Law Graduate from Keio Gijuku University, Tokyo. Mr. Takano holds a rich experience including Japan's domestic sales, and International Business while working with Ricoh Americas and Rapicom (former Companies of Ricoh of America). Mr. Takano has also handled marketing activities for Ricoh products during his stint with Ricoh Americas, USA.

Mr. Takano also has experience of working in countries like Mexico, Brazil, South Korea, China and India. Further, Mr. Takano has made valuable contribution in marketing of Multi Functional Products during his tenure with Ricoh Company Ltd, Japan.

2) Past Remuneration

Prior to his appointment as a Managing Director and Chief Executive Officer of Ricoh India Limited, Mr. Tetsuya Takano was associated with Ricoh Company Limited, Japan since 1978 as its Division General Manager and was drawing an annual salary of ¥16403000 (Japanese Yen)

3) Job Profile and his suitability:

The Board of Directors of Ricoh India Limited have appointed Mr. T.Takano as Managing Director and Chief Executive Officer of the Company 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 from 1st April 2011 till 31st March, 2014.

Mr. Takano brings with him invaluable experience and expertise in various diversified fields vis a vis International Business, Marketing and Finance earned by him during his tenure with different International Entities.

The Company is a key player in the Indian Office Automation Market. It has a vision to grow manifold in the near future. Mr. Tetsuya Takano has rich experience and expertise in Marketing, International Business and Finance which makes him an ideal candidate for being appointed as the Managing Director of the Company.

4) Remuneration Proposed**Salary :-**

Rs. 1,85,000/- (Rupees One Lac Eighty Five Thousand only) per month

Perquisites:-

Fully furnished accommodation at Company's expense

Leave Fare Assistance – Return Air Fare to Japan twice a year

Provident Fund, Superannuation Fund and Gratuity – As per the Company's policy.

Company maintained Chauffeur driven Air Conditioned Car

In addition to the above, he will be entitled to receive all other benefits and perquisites as applicable to other employees of his grade in the Company.

- 5) The job profile of the Managing Director requires vast and in depth knowledge of the Office Automation Industry, good business acumen and need to maintain cordial relations, Mr. Tetsuya Takano is the most suitable candidate for the present assignment in view of his vast experience in this field. Accordingly, the remuneration offered to Mr. Tetsuya Takano is at par with industry standards and commensurate with the size of the Company.

- 6) **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

NIL

III OTHER INFORMATION:

1. Reasons for loss / inadequacy of profits: Not Applicable
2. Steps being taken or proposed to be taken for improving operational efficiency and profitability:
 - To make available to the Indian markets, technologically superior products and services conforming to International standards and at a competitive price.
 - Increase brand awareness and brand equity through advertisement campaign.
 - Train and develop Company's employees and dealer employees to improve Customer Service and improve Customer Satisfaction.
 - Promote low cost operations.
 - Improve coverage for products to reach wider segment.
 - Focus on revenue enhancement and expense efficiency.

IV OTHER DISCLOSURES:

- (i) Period: Mr. T.Takano has been appointed with effect from 1st April, 2011 until 31st March, 2014.

Mr. T. Takano holds no Directorship/Committee membership in any other Company in addition to his Directorship with Ricoh India Limited.

This Explanatory Statement together with the accompanying Notice may be treated as an abstract under Section 302 of the Companies Act, 1956.

The Board of Directors of the Company recommends the passing of the resolution as set out in item No. 5 & 6 of the notice by the shareholders.

Except, Mr. T.Takano, Managing Director & Chief Executive Officer of the Company none of the other Directors are deemed to be interested in the passing of present resolutions.

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

Place: New Delhi
Date: 21st July, 2011

Manish Sehgal
Company Secretary

Registered Office:
1201, First Floor, Building No. 12,
Solitaire Corporate Park,
Andheri-Ghatkopar Link Road
Andheri East
Mumbai-400 093