



SHREE RAMA MULTI-TECH LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the 18th Annual General Meeting of the Members of the Company will be held on Saturday, 15th September, 2012 at 11.00 A. M. at ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad -380 009 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2012 and Profit and Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors.
2. To appoint a Director in place of Mr. Vikram V. Bhatt, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pathik C. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. Mahendra N. Shah & Co., Chartered Accountants, Ahmedabad, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration amounting to Rs. 400000/- (Rupees Four Lacs only) per annum plus applicable service tax plus out-of-pocket expenses actually incurred by them.

SPECIAL BUSINESS:

5. To consider and thought fit, to pass with or without modification(s) if any, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 269 and other applicable provisions, if any, read with Schedule XIII of the Companies Act, 1956, and/or any statutory modification or re-enactment thereof from time to time in force, and subject to the prior approval of the Central Government if any required, the consent of the company be and is hereby accorded to the appointment and payment of remuneration to Mr. Ankitkumar Pankajkumar Shah as Manager of the Company for a period of 3 years with effect from 28th July, 2012 on the terms and conditions as mentioned in the agreement entered between the Company and Mr. Ankitkumar Pankajkumar Shah to alter, amend, vary and modify the terms and conditions of the said appointment and remuneration payable from time to time as they deem fit in such manner as may be agreed upon by the Board of Directors and Mr. Ankitkumar Pankajkumar Shah on a monthly remuneration of Rs. 1,79,000/- in the slab of Rs.1,79,000-1,97,000-2,15,000 respectively for three years including all the perquisites payable to him as per the policy of the company.

"RESOLVED FURTHER that the Board be and is hereby authorized at its discretion from time to time to fix the remuneration and/or perquisite of Mr. Ankitkumar Pankajkumar Shah and to revise such remuneration and/ or perquisite from time to time. The Board be and is hereby further authorized to vary/modify/amend any of the aforesaid terms and conditions, provided such variation/modification/ amendment is in conformity with the applicable provisions of the Act, as amended from time to time."

"RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution."

Registered Office:

603. "Shikhar", Shreemali Society
Nr. Vadilal House, Mithakhali,
Navrangpura, Ahmedabad -380 009

Date : 28-07-2012

By Order of the Board of Directors

(Ramubhai S. Patel)
Chairman



SHREE RAMA MULTI-TECH LIMITED

NOTES

- Details, as required under clause 49(G) of Listing Agreement, in respect of the Directors, seeking re - appointment is appended.
- A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself only on a poll and a proxy need not be a member. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than Forty Eight Hours before the commencement of the Meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed from 10th September, 2012 to 15th September, 2012 (both days inclusive).
- Share transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Transfer Agents of the Company, Karvy Computershare Private Limited, Karvy House, Banjara Hills, 46, Avenue -4, Street No. 1, Hyderabad - 500034.
- Members who hold shares in physical form are requested to notify promptly any change in their addresses to the Registrar and Transfer Agents of the Company at the above address and to their respective depository participants, in case shares are in electronic mode.
- The Company has designated an exclusive email ID called cslegal@srmtl.com for redressal of shareholders' complaints/grievances for registration of shareholders complaints.
- Members seeking any information with regard to Annual Accounts are requested to write to the Company at least one week in advance, so as to enable the Company to keep information ready.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS:

ITEM No. 5

The chairman informed the Board that it is necessary for the Company to appoint any managerial personnel since at the death of our MD Mr. Sharad Jariwala no person has been appointed as such. The management was looking for the replacement. Since Mr. Ankit Shah is working with the Company for around a year as Deputy Chief Executive Officer (Dy.CEO). He is a commerce Graduate & Chartered Accountant by Profession having about 12 yrs of experience in the field of finance Accounts, Audit, Data Analysis & Operations. Since he is carrying out managerial duties for quite some time your company has decided to appoint him as "Manager" as defined under Section 2(24) of the Companies Act, 1956. He will be paid Rs. 1,79,000/- monthly remuneration with an increment of Rs. 18,000 per year for the period of three years from 28th July, 2012. He will be performing the managerial duties of the company and will report to the Board of Directors.

This will be considered as an abstract under section 302 of the Companies Act, 1956

Your Board recommends the resolution for approval.

None of the Directors is interested in the said resolution.

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By Order of the Board of Directors

(Ramubhai S. Patel)
Chairman

Details as required under Clause 49 (G) of the Listing Agreement in respect of the Director's who retire by rotation and being proposed themselves for re-appointment:

Name & Age	Mr. Vikram V. Bhatt - 61 yrs
Date of Joining the Board	19/03/2005
Qualification	B. E. Civil & Govt. Valuer
Expertise	Work experience of about 32 Yrs. In the field of Valuation of immovable properties.
Directorship & Membership in other Companies/Committees	Nirantar Security Pvt. Ltd., Radhakrishna Reality Pvt. Ltd., Flowchem Engineering Pvt. Ltd.
Shareholding in Company	NIL
Name & Age	Mr. Pathik C. Shah - 38 yrs
Date of Joining the Board	29/12/2005
Qualification	B. E. Chemical, MBA – Marketing.
Expertise	More than 14 years of Marketing Experience in the polymer Industry with various National and Multi-National Companies.
Directorship & Membership in other Companies/Committees	Atlantis Products Pvt. Ltd.
Shareholding in Company	NIL



SHREE RAMA MULTI-TECH LIMITED

DIRECTOR'S REPORT

To

The Members,

Your Directors have pleasure in presenting 18th Annual Report for the year ended on 31st March 2012.

1. Financial Results: (Rs. In Lacs)

Particulars	2011-12	2010-11
Sales and Other Income	7551.17	10331.14
Profit before finance cost, depreciation & tax	239.67	2104.03
Finance Cost	187.20	146.90
Depreciation	2406.02	2324.94
(Loss) before Tax	(2353.55)	(367.81)
Provision for Tax	0.00	0.00
Deferred Tax		
Liabilities [Assets]	653.63	1205.92
Profit/(Loss) after Tax	(1699.92)	838.11
Prior Period Adjustments and Extraordinary Items	1739.14	1042.60
Profit for the Year	39.22	1880.71
Add: Balance of Profit and Loss Account	(51743.96)	(53624.67)
Balance of loss carried to Balance Sheet	(51704.74)	(51743.96)

2. **Reserves and Dividend:** Your Directors request you to note that no amount is being transferred to the Reserves and no dividend on Equity shares for the year ended on 31st March, 2012, is being recommended, taking into account the operational losses incurred by the Company.

3. **Operations:** The Company's operations are broadly divided into two Divisions i.e. Packaging Products Division and Diamond Division.

In Packaging Products Division the turn over for the year is Rs.7221.83 lacs as compared to Rs. 8191.71 lacs i.e. there is decrease of 11.84% and the turnover of diamond division was Rs. Nil. Hence, the total turnover reached Rs 7221.83 lacs during the year under review.

4. **Directors:** During the year under review there was no change in directorship.

In accordance with the requirement of Companies Act, 1956 and Articles of Association of the Company Mr. Vikram V. Bhatt and Mr. Pathik C. Shah Directors of Company are liable to retire by rotation at the ensuing Annual General Meeting. Accordingly Mr. Vikram V. Bhatt and Mr. Pathik C. Shah who are being eligible offers themselves for re-appointment to be re-appointed as Directors of the Company.

5. **Directors' Responsibility Statement:** Pursuant to the requirements of Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in preparation of the annual accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed;
- (ii) that Directors have selected such accounting policies and applied them consistently and made judgment 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 of the Company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the



assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the Directors have prepared the accounts for the financial year ended 31st March, 2012 on a going concern basis.

6. Debt Restructuring: The Scheme to restructure the debt of Company is pending in Gujarat High Court for further hearing.

7. Reference to the Board of Industrial & Financial Reconstruction: The Company's second reference for registration to Board for Industrial and Financial Reconstruction (BIFR) made on dated 5/08/2006 was registered by BIFR vide reference No.69 dated 21/08/2006. The said registration was cancelled by BIFR vide order dated 28/12/2006. The Company filed appeal against the said order in Appellate Authority for Industrial and Financial Reconstruction (AAIFR) which is decided in favour of the company vide order dated 4/12/2007. The matter therefore was remanded back to BIFR.

8. Explanation to Auditors Remarks contained in Auditor's Report: At point no. f of the Auditors Report regarding Unpaid dividend on Preference Share & Non Provision of interest on loans of Banks & Financial Institutions:-The Company has filed a Composite Scheme of Compromise and Arrangement with its lenders and Shareholders u/s 391 of the Companies Act, 1956 in Gujarat High Court and upon the Scheme becoming effective, all existing litigations and legal cases shall be terminated and the lenders shall forthwith withdraw all existing litigations and legal cases against the Company, the guarantors, the Directors of the Company as the case may be and the lenders shall simultaneously execute necessary applications/affidavits/documents etc. to be promptly submitted to concerned courts,

statutory authorities etc. in order to give immediate effect for such withdrawal of legal actions, cases or litigations. Thereafter the right of the lenders will be submerged and re-casted in the manner as proposed in the Scheme

In the said Scheme, the issue of waiver of unpaid dividend on preference shares is also covered. The management is of the view as well as legally advised that the said default will be also sorted out on final outcome of the scheme.

9. Assignment / settlement of debts : Company has directly settled the debt of SASF, IIBI Debentures and Kautilya fin Securities Ltd. as per OTS Scheme.

10. Fixed Deposit: The Company has not invited fixed deposits during the year under review pursuant to section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975.

11. Personnel: Your Directors wish to place on record their appreciation for the co-operation and support received from banks and financial institutions, customers, suppliers, members and employees towards the growth and prosperity of your Company and look forward to their continued support.

12. Particulars of Employees: There is no employee, whose remuneration is in excess of monetary ceiling prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the financial year 2011-2012.

13. Auditors: M/s. Mahendra N. Shah & Co., the Chartered Accountants, Ahmedabad, (FRN 105775W) had been appointed as the Statutory Auditors during the year under



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review to hold office till the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their appointment as the Statutory Auditors of the Company for the financial year 2012-2013.

and Shareholders during the year under review.

Date: 28/5/2012

Place: Ahmedabad

On behalf of the Board of Directors

(Ramubhai S. Patel)

Chairman

- 14. Insurance:** The fixed assets of the Company located in plants at Moti-Bhoyan and Ambaliyara have been duly insured.

- 15. Accounting Standards and Consolidated Financial Statements:**

Your Company has prepared the accounts in consonance with the accounting standards prescribed by ICAI.

- 16. Conservation of Energy, Technology Absorption & Foreign Exchange:**

The Company constantly endeavors reduction in energy consumption in its manufacturing process. The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/Outgo is annexed hereto Annexure "A" and forms part of this Report.

- 17. Corporate Governance:** The Company adheres to sound Corporate Governance practices, which enables to maintain transparency and serve the long-term interest of the Shareholders. The Management Discussion and Analysis Report as well as report on Corporate Governance are attached hereto as a part of this Annual Report as Annexure – 'B'.

- 18. Acknowledgements:** The Board expresses its gratitude and appreciates the assistance and co-operation received from the Creditors, Banks, Government Authorities, Customers



“Annexure – A” to Directors’ Report

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of the Director’s Report for the year ended 31st March, 2012.

A. Energy Conservation:

1. Energy Conservation Measures Taken:

The Company has taken several steps for energy conservation to optimise power consumption in all its plant and offices. The Natural Light Dome installed on the roof top of the plant building saves power during the daytime. The Company has installed electronic cut in /cut off system on cooling towers as a means of saving energy. The load distribution across the plants is estimated and modification for uniform load distribution based on actual/correct load on DG sets ensures conservation of energy. The Company has installed UPS System in Film Plant to conserve use of Diesel for Power Generation.

All equipments are provided with dedicated highly efficient cooling water package unit, which start and stop with machine and run at full capacity thus reduce wastage of energy.

Air audit has been carried out and all leakage are arrested. Compressed air used for cleaning is stopped. This will save the wasteful energy.

The Company has installed VFD Drives to reduce Power Consumption on all IMD Machines.

2. Additional Investment Proposals, if any, being implemented for reduction of consumption of energy:

The Company plans to install energy saving devices and equipments with the objective of energy conservation. The latest high lumen energy efficient fluorescent tubes and high frequency electronic ballast without compromising with the existing lux level saves energy and has contributed to the improved P.F., improved lux level and better life. Power Factor improvement devices are being monitored to get efficient energy uses.

3. Impact of the measures at (1) and (2) above for reduction of energy consumption and consequent impact on the cost of production of goods :

The load distribution for the entire plant is estimated and modifications therein has resulted into power savings through uniform load distribution based on actual/correct load on DG sets. The Company is maintaining Power factor in the range of 0.997 to 0.999. The Company has refurbished existing capacitors and has installed additional capacitors wherever required.



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B. Technology Absorptions, Adoptions and Innovation :

1. Efforts in brief made for technology absorption, adoption & innovation :

The application of latest world class technology in the manufacturing processes has resulted into products of desired qualities and has significantly contributed in development of various cost efficient and eco-friendly packaging materials.

Company has invested in state of art automatic thickness, measuring control system which enable saving of scarce raw material and enhance productivity and quality of laminate and make the process more competitive. The Company has recommissioned Auto Gauge Control on Extrusion Coating Machine to reduce material consumption.

The Company is adding Tubing Machine to increase its capacity for meeting increased demand.

2. Benefits derived as a result of the aforesaid efforts :

The development of new Laminates has resulted in very good business volumes. Consequent to the efforts of the Company as stated above, there has been a marked improvement in the productivity. Such efforts have also resulted in reduction of cost & wastages. The market base has increased and the product range has also widened. The Company will also be able to offer the products with latest technology to the consumers. The Company has successfully down gauged Aluminium Foil thickness from 12 microns to 9 microns to produce cost effective laminates.

3. Import of Technology:

The Company is constantly ensuring upgradation of technology and innovation in its products and production process. The Company has set up state of art facilities with technology imports from world leaders. The technology absorption is complete and the Company has now developed indigenous capabilities in areas of engineering and web development. The Company has acquired technology to make PBL Tubes, Tubes with Top Seal, etc which could have very good future. The Company has also added latest Tubing Lines to produce different size and shapes of Tubes.

C. Foreign Exchange Earnings and Outgo :

During the year under review, the earnings and outgo of Foreign Exchange were as follows:

(Rs. in Lacs.)

Particulars	2011-12	2010-11
Earnings (FOB Value of Export)	452.28	2019.99
Outgo	1445.96	1599.30



“Annexure – B ” to Directors’ Report

REPORT ON CORPORATE GOVERNANCE

The Company has implemented the Guidelines of Corporate Governance in terms of Clause 49 of the Listing Agreements executed with the Stock Exchanges. The philosophy of the Company on Corporate Governance encompasses the serving of long term interest of all its stakeholders.

1. Board of Directors:

The Board of Directors of the Company consists of Six Directors. Mr. R. S. Patel, the non-executive director is the Chairman of the Board. Mr. Sharad C. Jariwala was the Managing Director of the Company upto 24-07-2011, Mr. Prahlad S. Patel, Mr. Vikram V. Bhatt and Mr. Pathik C. Shah are the non-executive independent Directors of the Company. There is one Nominee Director on the Board of Directors of the Company, Mr. Ashutosh Rohatgi, the Nominee Director of JM Financial Asset Reconstruction Company Private Limited.

During the year under review 6 meetings of the Board of Directors were held on 7th May, 2011, 28th June, 2011, 30th June, 2011, 30th July, 2011, 24th October, 2011 and 30th January, 2012.

The attendance record of each director at the Board of directors Meetings and at previous Annual General Meeting alongwith details of membership and/or chairmanship in Boards and/or Committees is as given below:

Name of Directors	Attendance in Board Meeting	Attendance at previous AGM	Other Board		Other Committee	
			Director ship	Chairman ship	Member ship	Chairman ship
Mr. R. S. Patel	6	Yes	1	—	—	—
Mr. Sharad C. Jariwala upto 24-07-2011	1	No	—	—	—	—
Mr. Vikram V. Bhatt	6	Yes	3	—	—	—
Mr. Prahlad S. Patel	6	Yes	2	—	—	—
Mr. Pathik C. Shah	4	Yes	1	—	—	—
Mr. Ashutosh Rohatgi Nominee of JM Financial Asset Reconstruction Company Pvt. Ltd.	3	No	—	—	—	—

**2. Audit Committee:**

2.1 The Company has constituted an Audit Committee, whose terms of reference include the matters under section 292A of the Companies Act, 1956 as well as under clause 49 of the Listing Agreement. Currently it comprises of four directors i.e.

- | | | |
|----|----------------------|----------|
| 1. | Mr. Vikram V. Bhatt | Chairman |
| 2. | Mr. R. S. Patel | Member |
| 3. | Mr. Prahlad S. Patel | Member |
| 4. | Mr. Ashutosh Rohatgi | Member |

2.2 During the year under review 5 meetings of the Audit Committee of Directors were held on 07/05/2011, 28/06/2011, 30/07/2011, 24/10/2011 and 30/01/2012. All meetings of Audit Committee were chaired by Mr. Vikram V. Bhatt. The attendance at the Audit Committee Meetings was as under:

Sr. No.	Name of the Director	No. of Meetings Attended
1	Mr. Vikram V. Bhatt	5
2	Mr. R. S. Patel	5
3	Mr. Prahlad S. Patel	5
4	Mr. Ashutosh Rohatgi	3

3. Remuneration Committee:

3.1 The Remuneration Committee comprises of three Non Executive Directors viz. Mr. R. S. Patel, Mr. Vikram V. Bhatt and Mr. Ashutosh Rohatgi.

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|----|----------------------|-------------------------|
| 1. | Mr. R.S. Patel | Non –Executive Director |
| 2. | Mr. Vikram V. Bhatt | Non –Executive Director |
| 3. | Mr. Ashutosh Rohatgi | Non –Executive Director |

3.2 During the year under review, there is one meeting of the Remuneration Committee of Directors held on 30/7/2011 which was chaired by Mr. Vikram V. Bhatt.


4. Remuneration Policy:

The Remuneration Committee is responsible for recommending to the Board the Remuneration package of the senior employees including their annual increments after reviewing their performances based on certain parameters.

5. Details of remuneration paid to the Managing Director during the year 2011-12 is as below:

Particulars	Late Mr. Sharad C. Jariwala upto 24-07-2011 (Rs.)
Salary and Allowance	858363/-
Perquisites	205885/-

The Non Executive/ Independent Directors are not entitled to any managerial remuneration except sitting fees for attending the Board Meetings. The Company pays sitting fees of Rs.15,000/- per meeting to non-executive / independent directors.

6. Shareholders Committee:

The Company has a Shareholders/Investors Grievances Committee of Directors for redressal of shareholders and investors complaints like transfer of shares, splits, etc. It met 4 times during the year under review and is headed by Mr. Prahlad S. Patel, the non-executive director. One complaint was received and satisfactorily settled during the year under review.

7. General Body Meetings:

The Company held its last three Annual General Meetings as under:

AGM	A/c Year	LOCATION	DATE & TIME	SPECIAL RESOLUTION
17th	2010-2011	ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad	24.09.11 at 11 a.m.	Nil
16th	2009-2010	ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad	27.09.10 at 11 a.m.	Nil
15th	2008-2009	ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad	19.09.09 at 11 a.m.	Nil