

REMI METALS GUJARAT LIMITED

NOTICE

To,
The Members

NOTICE is hereby given that the 30th Annual General Meeting of the Company will be held at its Registered Office, Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, in the state of Gujarat on Friday, the 21st September, 2012, at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and the Audited Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Shri Vijay Singh Bapna, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Rajendra Saraf, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Abhishek Mandawewala, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. To Consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 372A of the Companies Act, 1956 consent of the Company be and is hereby accorded to the Board of Directors of the Company for making investment in equity shares and Preference Shares of Welspun Captive Power Generation Limited ("WCPGL") up to a limit of ₹ 1.30 crores (Rupees One Crores Thirty Lacs only) and the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things as may be required to give effect to this resolution"

Date: 13.07.2012

By Order of the Board

K. N. Kapasi
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.

2. The Register of Members of the Company will remain closed from Tuesday 28th August, 2012 to Thursday 30th August, 2012, both days inclusive.
3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the special business to be transacted at the meeting is appended hereto.
4. All correspondence pertaining to Equity Shares should be forwarded to the Company's Registrar and Share Transfer Agent M/s. Bigshare Service Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.
5. Members are requested to immediately inform about their change of address or consolidation of folios, if any, to the Company's Share Transfer Agent.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

SPECIAL BUSINESS:-

The Company has been approached by Welspun Captive Power Generation Limited ("WCPGL") to enter into a power purchase agreement with them for procurement of the electrical energy which will be generated from their captive power plant of 80 MW capacity in the state of Gujarat for use by company's manufacturing facilities located in Bharuch.

Considering cost savings which could result from the procurement of power from captive power plant of WCPGL, the Company proposes to enter into power purchase agreement.

As per one of the conditions of power purchase agreement, the Company has to make investment in equity/Preference shares of WCPGL upto ₹ 1.30 crores (Rupees One Crores Thirty Lacs only).

The said investment exceeds the limits specified under Section 372A of the Companies Act, 1956 and require approval of shareholders by passing a special resolution.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Place: Mumbai
Date: 13.07.2012

By Order of the Board

K. N. Kapasi
Company Secretary

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DIRECTORS' REPORT TO THE MEMBERS

The Directors present their 30th Annual Report together with Audited Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

(₹ Lacs)

	Year ended 31-03-2012	Year ended 31-03-2011
Sales & Other Income	58712	59741
Profit / (Loss) before interest and depreciation	741	181
Interest and Financial Charges	4215	3122
Depreciation and Amortization	2227	2313
Profit/ (Loss) before tax	(5701)	(5254)
Less : Fringe Benefit Tax	-	-
Profit/ (Loss) after Tax	(5701)	(5254)
Profit/ (Loss) brought forward from previous year	(14140)	(8886)
Balance carried to Balance Sheet	(19841)	(14140)

OPERATIONS

Performance of Alloy Steel and Seamless Tubes of the Company was as under:

2011-12				2010-11		
Particulars	Production (Tones)	Sales (in Qty.)	Gross Sales (₹ in Lacs)	Production (Tones)	Sales (in Qty.)	Gross sales (₹ in Lac)
Steel	96649	95768	53334	109318	109524	56457
Seamless Pipes	11543	11494	10824	12366	12303	9100

Our main share is in automobile industry. There is a tough competition from companies with Blast Furnace route which has resulted in erosion of margin of profits.

Steel division has not performed well since steel input cost has gone up during the year and increased in input cost could not be passed on to customers in view of recession in steel market.

Cost of production of pipe was high due to frequent breakdown in pressure which resulted into increase in maintenance cost and loss of production

The Company has developed new grades in steel division and also rejections in pipes have been reduced.

DIRECTORS

Shri. Vijay Singh Bapna, Shri. Rajendra Saraf and Shri Abhishek Mandawewala, the directors of the Company retire by rotation at 30th Annual General Meeting and being eligible offered themselves for reappointment.

Your directors recommend their appointments/reappointments.

AUDITORS

M/S. Chaturvedi & Shah hold office of Auditors until the conclusion of the 30th Annual General Meeting. Members are requested to reappoint them for continuing in the office until conclusion of the next Annual General Meeting.

AUDITORS' OBSERVATIONS

References drawn by the auditors' in their report are self explanatory.

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

In terms of the above rules, the Directors are pleased to give the particulars as prescribed therein in the Annexure, which forms part of the Directors' Report. Form B relating to research and technology absorption being nil is not attached.

Foreign exchange used and earning is mentioned below:

Used: ₹ 7476 lacs (₹ 3176 Lacs)

Earning: ₹ 1847 Lacs (₹ 724 Lacs)

CORPORATE GOVERNANCE

A separate report on Corporate Governance is annexed hereto as a part of this Report. Management Discussion and Analysis Statement is separately given in the Annual Report. A certificate from Shri A L Makhija, Practising Company Secretary regarding compliance of conditions of Corporate Governance as prescribed under Clause 49 of the Listing Agreement is attached to this report

PARTICULARS OF EMPLOYEES

As required by the provisional of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts is being sent to all the shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Sub-Section (2AA):

Your Directors state:

- that in the preparation of the annual accounts, all the applicable accounting standards had been followed along with proper explanations relating to material departures;
- 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;
- 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;
- that the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Board takes this opportunity to express its sincere appreciation for the excellent support and co-operation received from the Company's customers, suppliers, bankers and the share holders for their consistent support to the Company.

The directors also sincerely acknowledge the significant contributions made by all employees for their dedicated services to the Company.

For and on behalf of the Board of Directors

Abhishek Mandawewala **R.R.Mandawewala**
Executive Director Director

Place: Mumbai
Date: 13.07.2012

MANAGEMENT AND DISCUSSION ANALYSIS

A) Industry structure, scenario & development

India ranked as the fourth largest producer of crude steel in the world during January-November 2011 after China, Japan, and the USA. After a sharp increase in world consumption of finished steel in 2010 (15 per cent), the consumption is estimated to slow down to 6.5 per cent for 2011 and 5.4 per cent in 2012 as per World Steel Association estimates. The country has also been the largest sponge iron producer in the world since 2002. Domestic crude steel production grew at a compounded annual growth rate (CAGR) of 8.4 per cent during 2006-7 to 2010-11. The increase in production is driven by 8.8 per cent growth in crude steel capacity mainly in the private-sector plants and high utilization rates during this period. The Indian steel industry has diversified its product mix to include sophisticated value-added steel used in the automotive sector, heavy machinery, and physical infrastructure. Despite the softening of industrial demand as reflected in a 4.4 per cent growth in real consumption of total finished steel during April-December, 2011 over the same period of last year, the overall April-December 2011 performance of the Indian steel industry is optimistic. In 2011, it was faced with stiff challenges posed by rising inflationary pressures at home and deteriorating global growth conditions. The multiple hikes in interest rates by the central bank also impacted the industry's growth directly and indirectly through their effect on the growth of key user industries. Raw material security (e.g. getting iron ore mining lease), infrastructure (affecting logistics and transport), quality of coking coal, and uncertainties in land acquisition have emerged as bottlenecks to setting up new steel plants.

India's steel consumption may grow by just 4.3% in 2011 to 67.7 million tonne (MT), premier industry body World Steel Association said "In 2011, India's steel use is forecast to grow by 4.3% to reach 67.7 MT due to economic growth. In 2012, the growth rate is forecast to accelerate to 7.9%," the association said in its outlook for 2011 and 2012.

Countries like Australia and Brazil are reaching out to strengthen the iron ore export industry, which is expected to boom for the next five years, whereas India, the third largest iron ore exporter, is under threat of severe damage to the iron ore exports, if practical and viable mining policies are not implemented immediately. With the blanket ban continuing in Karnataka, Steel industry in India is struggling to meet the production requirements, with severe shortage of raw material. If the ban extends for few more weeks, many units will face shut downs shortly. Indian steel makers are investing in iron ore exploration overseas, in countries like Afghanistan, with their domestic growth largely affected by regulatory issues. A strong mining regulation is a must to curb the illegal mining, but the mining should start in full swing in order to help the domestic steel and iron ore export industry.

The historical relationship between gross domestic product (GDP) and steel use growth in India indicates the latter has always been ahead, except during the slowdown in 2008-09. With its sluggish growth, steel consumption will once again lag behind the GDP growth rate.

The global steel market is threatened by excess capacity. Despite the demand growth seen in 2010-11, steelmaking capacity still exceeds steel demand. It cites the reduction of confidence in the marketplace in the latter half of 2011 resulting from the European sovereign debt crisis as being responsible for halting investments in large-scale European infrastructure projects. It adds that this is further complicated by the political expediency of protecting jobs, thereby stopping any rationalisation in the steel sector.

The steel sector seems to be the newest victim of slowing demand. Monetary tightening is reflecting in demand deceleration. India's steel production appears to be getting affected by inflation and higher interest rates and their effect on demand.

Business Line reported that the foundry industry in India may find it tough to sustain the 15% growth rate because of dwindling iron ore resource. Iron ore for the foundry industry is mainly supplied from mining pits in Karnataka, Goa and Chhattisgarh. The ban on mining of iron ore in Karnataka and Goa has impacted the supply of high grade iron ore for pig iron. World Foundry Organization said that in addition to iron ore supply,

the supply of uninterrupted power in all the major foundry clusters of West Bengal, Karnataka, Punjab, Tamil Nadu, and Gujarat, is poor. In Tamil Nadu, foundries are being forced to run just one shift per day. Besides, every year, the power tariff is going up significantly. The ban on mining of iron ore has impacted foundries which are basically small and medium units and are not in a position to secure supplies as it will significantly increase the cost of production.

The Indian economy is estimated to grow by 6.9 per cent in 2011-12, after having grown at the rate of 8.4 per cent in each of the two preceding years. With agriculture and services continuing to perform well, India's slowdown can be attributed almost entirely to weakening industrial growth. Monetary policy was tightened by the Reserve Bank of India (RBI) during the year to control inflation and curb inflationary expectations.

In a significant relief to the Indian Steel makers currently reeling under severe raw material shortages, India's largest iron ore producer National Mineral Development Corporation (NMDC) will step up production by at least 20% this fiscal on the back of fresh iron ore reserves that pushed total reserves up by around 50%. The iron ore shortages have of late forced several Indian steel makers scale down their operations. NMDC sells over 85% of iron ore produced to the domestic players.

B) OPPORTUNITY & THREATS

Demand of steel in global market mostly depends upon growth of infrastructure in China, India and other developing countries. Constant increase in price of steel and coking coal may affect competitiveness of Indian end users of steel. Further, increase in competition affect margin of profits.

The Company concentrates in Niche market. The Company shall concentrates Aerospace, Defense, Railway, Drilling, Yellow Good, Oil & Gas (Export), Turbine, Wind Energy, Machine/Ship Building, Gear Development, Engines, Open Die Forgers etc.

The Company is taking various steps to utilize its existing capacity to the maximum extent.

C) SEGMENTWISE AND PRODUCTWISE PERFORMANCE

Product wise performance is given in Directors Report under heading operations.

D) RISK & CONCERNS

Additional capacity being generated for production of Alloy Steel in India caused pressure on sales & margin.

However the Company expects to mitigate the impact of risks and concerns since the Company concentrates on niche products.

E) INTERNAL CONTROL SYSTEM

The Company employs adequate and effective system of internal control systems that provide for:-

- security of the asset
- efficient management information system
- compliance with all laws and regulations
- Compliance with all standard system and quality standards.

F) INDUSTRIAL RELATIONS & HUMAN RESOURCES

Human resource is the key factor for the success of any organization. Your Company places considerable emphasis on continuous enhancement of skills and performance of human resources across the organization.

G) DISCUSSION & FINANCIAL PERFORMANCE

REVENUE

Revenue from operation of the Company is of ₹ 582 Crores during the year ended 31st March 2012 as ₹ 594 Crores during the year 31st March 2011.

EBDITA

Profits before depreciation & financial charges during the year ended 31st March 2012 was of ₹ 741 Lacs as compared to profits of ₹181 Lacs for the year ended 31st March 2011.

H) FUTURISTIC STATEMENT

Company's performance as expressed or implied could differ materially due to economic conditions affecting demand/supply and price condition in the domestic & overseas markets, changes in the Government regulations, tax laws & other incidental factors.

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ANNEXURE FORM - A (SEE RULE 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Current Year 2011-12	Previous Year 2010-11
A Power and fuel consumption			
1	Electricity		
	(a) Purchased		
	Units (In '000S)	109195	123662
	Total Amount (Rs.in Lacs)	6715	6815
	Rate / Unit (Rs.)	6.15	5.51
	(b) Own Generation	Nil	Nil
2	Gas Used		
	Units (In '000S)	12850	12628
	Total Amount (Rs.in Lacs)	2842	2033
	Rate / Unit (Rs.)	22.12	16.10
3	Furnace Oil		
	Quantity (K.Ltrs.)	Nil	141
	Total amount (Rs.in Lacs)	Nil	34
	Average Rate (K.Ltrs.)	Nil	24398
4	Others / Internal Generation	Nil	Nil
B CONSUMPTION PER UNIT OF PRODUCTION			
STANDARDS			
Products (With Details)			
	Steel (Production In MT)	96649	109318
	Pipe (Production In MT)	11543	12366
	Electricity/Steel Kwh	855	990
	Electricity/Pipe Kwh	1305	1174
	Steel Production/MT		
	Natural Gas	86	90
	Pipe Production/MT		
	Gas	281	362

CORPORATE GOVERNANCE - CLAUSE 49 OF THE LISTING AGREEMENT

A. Company's Philosophy

Remi Metals Gujarat Limited believes that for a company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, shareholders, consumers and society.

The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness.

B. Board of Directors

i) Composition:

Details of composition of the existing Board of Directors as on 31st March 2012 are given below:

Sr. No.	Name of Director	Category	No. of Shares Held	Attendance Particulars		Directorship in other public limited companies	Committee Chairmanship/ membership in other public limited companies
				Annual General Meeting	Board Meeting		
1	Mr. R. C. Saraf	P,NE,S	100501	No	3	4	4M
2	Mr. Rishabh R. Saraf	P,NE	Nil	No	3	2	-
3	Mr. Atul Desai	I,NE,C	Nil	Yes	3	5	3C/5M
4	Mr. Nirmal Gangwal	I,NE	Nil	No	NIL	6	3M
5	Mr. Vijay Singh Bapna	NE	Nil	No	3	2	1M
6	Mr. R. G. Sharma	I,NE	Nil	No	4	4	2C/1M
7	Mr. Abhishek Mandawewala	SI,E	Nil	No	4	3	1M
8	Mr. Rajesh R. Mandawewala (with effect from 7-11-2011)	SI,NE	Nil	N.A.	2	14	5M
9	Mr. B. K. Goenka (upto 7-11-2011)	SI,NE	Nil	Yes	2	12	1C/5M
10	Mr. M. L. Mittal (upto 7-11-2011)	NE	Nil	No	2	9	2M

Abbreviations:

P = Promoter, E = Executive Director, NE = Non Executive Director, I = Independent Non Executive, S = Shareholder, C = Chairman, M = Member, SI= Strategic Investor.

ii) Details of Date of Board Meeting:

During the year 2011-12, the Board of Directors met four times on the following dates: -30.05.2011, 05.08.2011, 07.11.2011 and 03.02.2012.

C. COMMITTEES OF THE BOARD

The Committee constituted by the Board as on the date are mentioned below:

1. AUDIT COMMITTEE

The Audit Committee consists of the following 2 Non-Executive Directors as on 31.03.2012.

Mr. Atul Desai	-	Chairman (Independent)
Mr. R. G. Sharma	-	Member (Independent)
Mr. M. L. Mittal	-	Member (upto 7.11.2011)
Mr. Abhishek Mandawewala	-	Member (w.e.f 07.11.2011)

The Secretary of the Company also acts as a Secretary to the Committee.

Terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under clause 49 of the Listing Agreement.

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Four meetings of Audit Committee of Board of Directors were held on 30.05.2011, 05.08.2011, 07.11.2011 and 03.02.2012. The details of Attendance of Members of audit committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2011 to 31/03/2012)
1	Mr. Atul Desai	Chairman	3
2	Mr. M. L. Mittal (upto 7-11-2011)	Member	2
3	Mr. R. G. Sharma	Member	4
4	Mr. Abhishek Mandawewala	Member	2

2. REMUNERATION COMMITTEE

Remuneration committee of the Board of Directors of the Company consists of the following persons:

Mr. Atul Desai	-	Member
Mr. Nirmal Gangwal	-	Member
Mr. M. L. Mittal	-	Member (upto 7.11.2011)
Mr. R. G. Sharma	-	Member
Mr. Abhishek Mandawewala	-	Member (w.e.f 07.11.2011)

During the year 2011-12, no Remuneration Committee meeting was held.

Terms of Reference

To recommend payment of Remuneration to Managing Director/Executive Director from time to time.

The details of Remuneration paid/due during the period under review to Mr. Abhishek Mandawewala are mentioned below:

(Amt. in Rs.)

Particulars	Mr. Abhishek Mandawewala (Executive Director)
Basic	6,63,192
HRA/ Rent Free Accommodation	2,65,272
Bonus/ Exgratia	55,248
Other benefits	4,84,392
Total	14,68,104
notice period	3 months
service contract	5 Years

The details of sitting fees paid to Non Executive Directors of the Company are given below:

Name of Director	Total Sitting Fees Paid for attending meeting of Board of Directors /Audit Committee/Share transfer and Investors Grievance Committee for the year 2011-12
Mr. Atul Desai	Rs.42,000/-
Mr. R. G. Sharma	Rs.50,000/-

3. SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE

- a) The Share Transfer and Investors' Grievances Committee focused on shareholder's grievances and strengthening of investor relations. The functions of the Committee include specifically looking into redressal of investors' grievances pertaining to Transfer of shares, Dematerialization of shares, replacement of lost/ stolen/mutilated share certificates and other related issues.
- b) Composition and details of attendance of members of the Committee are as follows:

Sr.No.	Name of the Member	Designation	Number of Meetings Attended (01/04/11 to 31/03/12)
1.	Mr. M.L.Mittal (upto 07.11.2011)	Member	3
2.	Mr. Atul Desai	Chairman	5
3.	Mr. Ram Gopal Sharma	Member	5
4.	Mr. Abhishek Mandawewala (w.e.f. 07.11..2011)	Member	1

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c) Six meetings of Share Transfer and Investors Grievance Committee were held on 21.04.2011, 27.05.2011, 15.07.2011, 28.10.2011, 25.01.2012 and 10.02.2012.

d) Number of shareholders complaints/ requests received during the year:

During the year under review, total Investor's complaints/ requests were received. Break up and number of complaints/ requests received under different category is given hereunder:

Sr. no.	Category	No. of complaints Recd
1	Non receipt of annual report	5
2	Non receipt of Demat credit	7
3	Non receipt of Demat rejection documents	6
4	Non receipt of dividend warrant	4
5	Non receipt of exchange share certificates	56
6	Non receipt of share certificate after transfer	6
7	SEBI	4
Total Complaints Recd		88

All the complaints/ requests received during the year under report were resolved within the time limit to the satisfaction of the investors/ shareholders and no complaints were pending as on 31st March 2012 for more than 30 days.

D. GENERAL BODY MEETINGS:

(i) The details of General Meetings held in the last three years are given hereunder:

Date	Type of meeting	Location	Time	No. of special Resolutions
26/09/2009	Annual General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	4
30/03/2010	Extra Ordinary General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	1
04/09/2010	Annual General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	1
29/09/2011	Annual General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	1

(ii) Details of Special Resolutions passed in the last three years are given hereunder:

Date	Location	No. of special Resolutions	Special Resolutions passed
26/09/2009	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat.	Four	a) Appointment of Mr. Vijay Singh Bapna as an Executive Director on remuneration of Rs.40,00,000 per annum with effect from 30-06-2009 for a period of three years. b) Alteration of Articles no. 3 of Articles of Association for reclassification of authorized share capital into preference shares and equity shares. c) Consent to Board of Directors to issue and allot Preference shares not exceeding Rs.96 Crores to the Promoters/co promoters/ the strategic investors.
30/03/2010	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist.Bharuch, Gujarat.	One	d) Consent to delist equity shares from Ahmedabad Stock Exchange, The Delhi Stock Exchange, Madras Stock Exchange, The Calcutta Stock Exchange and Vadodara Stock Exchange. Consent to Board of Directors to issue and allot Preference shares not exceeding Rs.135 Crores to the Promoters/co promoters/ the strategic investors.
04/09/2010	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist.Bharuch, Gujarat.	One	Appointment of Mr. Abhishek Mandawewala as an Executive Director on remuneration of Rs.15,00,000 per annum with effect from the date of AGM for a period of Five years.
29/09/2011	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist.Bharuch, Gujarat.	One	Alteration in Article no. 157 relating to affixation of Common Seal of the Company in the presence of any one of the directors or company secretary or any authorized person.

(iii) During the year under report, no resolution was passed through postal ballot.

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E MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of various businesses of the Company is separately given in the Annual report.

F DISCLOSURES

- (i) Transactions with related parties are disclosed in Note No. 27 of Notes forming part of the financial statements. None of these are in conflict with the interests of the Company.
- (ii) There was no non-compliance of any law or regulations (during the last three years) and hence, no penalties/strictures.
- (iii) Certification by CEO/CFO – Certificate obtained from Executive Director and President (Accounts and Finance) on the financial statements of the Company in terms of Clause 49 of the Listing Agreement was placed before the Board meetings, who took the same on record.
- (iv) Brief resume of Directors being appointed / reappointed –
 1. Mr. Vijay Singh Bapna is Whole Time Director of the Welspun Maxsteel Limited & Welspun Steel Limited in 2009. He is a Chartered Accountant having rich experience of nearly 4 decades in Project implementation and Plant operations in metal / pipe and allied industry with a strong commercial background.
 2. Mr. Rajendra Saraf is engaged in the manufacture of capital goods, industrial goods and consumer items and has experience of nearly 37 years in the various sectors of business at both the factory and management levels.
 3. Mr. Abhishek Mandawewala is 24 years old and he is B.A. /M. Eng. (Honours) from University of Cambridge, UK and he has experience of more than three years. He was an Executive of Welspun Steel Limited till April 30, 2010 and he was appointed as an Executive of the Company w.e.f May 1, 2010.

G MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the audited financial results for the year ended 31-03-2011, unaudited financial results for quarter ended 30-06-2011, 30-09-2011 and 31-12-2011 and forwarded the results to the Stock Exchange and published the same in 'The Free Press Journal (E)' and 'Navshakti', Mumbai edition and in Economic Times (E+G), Bharuch edition.

H. GENERAL SHAREHOLDER INFORMATION:

The next Annual General Meeting shall be held at –

- (i) Venue - Plot no. 1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat,
Time - 12.30 P.M.
Day and Date - Friday, 21st September, 2012
Financial year - from 1st April 2011 to 31st March 2012
- (ii) Date of Book Closure - from Tuesday, 28th August 2012 to Thursday, 30th August 2012
- (iii) Dividend payment date - No dividend has been declared for the financial year 2011-12.

- (iv) Listing on Stock Exchanges and codes

The securities of the Company are listed on the Bombay Stock Exchange (Scrip code – 500365)

- (v) Market Price Data- High-Low Quotations on Bombay Stock Exchange Limited, Mumbai during each month from April 1, 2011 to March 31, 2012 as follows:

Month	Market Price		Sensex	
	High Price	Low Price	High	Low
Apr-11	9.00	6.31	19811.14	18976.19
May-11	8.39	6.30	19253.87	17786.13
Jun-11	7.44	6.00	18873.39	17314.38
Jul-11	6.90	5.85	19131.70	18131.86
Aug-11	6.00	4.71	18440.07	15765.53
Sep-11	6.20	4.83	17211.80	15801.01
Oct-11	5.88	4.85	17908.13	15745.43
Nov-11	5.31	3.83	17702.26	15478.69
Dec-11	5.29	4.00	17003.71	15135.86
Jan-12	5.10	4.11	17258.97	15358.02
Feb-12	7.20	5.00	18523.78	17061.55
Mar-12	5.72	3.96	18040.69	16920.61

REMI METALS GUJARAT LIMITED

- (vi) The transfer of shares of the Company are being done by Bigshare Services Pvt. Ltd., the R & T Agents, having address at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai- 400 072.

Contact person: Mr. Ashok Shetty, Vice President

- (vii) Distribution of shareholding of equity shares as on 31st March, 2012 is as follows: -

Shareholding of nominal value ₹	Total Holders		Amount	
	(in Nos.)	% of Total	in ₹	% of Total
1 - 5000	92979	98.07	18024012	2.77
5001 - 10000	879	0.93	5865372	0.90
10001 - 20000	464	0.49	6461982	0.99
20001 - 30000	202	0.21	5143884	0.79
30001 - 40000	70	0.07	2437410	0.38
40001 - 50000	38	0.04	1653276	0.25
50001 - 100000	96	0.10	6868302	1.06
100001 and above	90	0.09	604160802	92.86
Total :	94818	100.00	650615040	100.00

- (viii) 10,73,00,939 equity shares constituting 98.95% of the share capital are in demat form as on 31.03.2012.

- (ix) Plant Location: Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch.

- (x) Address for Correspondence : Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch. Tel No. 09727774061/62, 02645-619700, Fax No.02645-619800

- (xi) E-mail Id : kaushik_kapasi@welspun.com

- (xii) Website : www.remimetals.com

Certificate on compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement TO THE MEMBERS OF REMI METALS GUJARAT LIMITED

We have examined the compliance of conditions of Corporate Governance by Remi Metals Gujarat Limited, for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations as given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor's grievance received during the year ended 31st March 2012, the Registrar and Share Transfer Agents of the Company have certified that as at 31st March, 2012, there were no investors' grievances remaining unattended/ pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

A L Makhija
Practising Company Secretary
Membership No. 5087
C.P No. 3410

Place: Mumbai
Date: 13.07.2012