

# REMI ELEKTROTECHNIK LIMITED

## 36<sup>TH</sup> ANNUAL REPORT 2015 - 16



**MOTORS**



**REMI** *commercio*  
THE LEVELS OF EXCELLENCE

**REAL ESTATE**



**LABORATORY EQUIPMENTS**



<b>Board of Directors:</b>	Shri Vishwambhar C. Saraf Shri Shri Rajendra C. Saraf Shri Sunil Saraf Shri Ritvik V. Saraf Shri Shyam Jatia Shri Ashish Kanodia Shri Mahendra Chirawawala Shri Harkishan Zaveri Smt. Archana Bajaj	Chairman and Managing Director  Director  Whole-Time Director & Compliance Officer  Whole-Time Director & Chief Financial Officer  Independent Director  Independent Director  Independent Director  Independent Director  Independent Director
<b>Bankers:</b>	STATE BANK OF INDIA	
<b>Auditors:</b>	M/s. Sundarlal, Desai & Kanodia Chartered Accountants 903, Arcadia, 195, N.C.P.A. Road, Mumbai- 400 021	
<b>Registered Office:</b>	REMI House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 Ph.: 022-40589888, Fax: 022-26852335	
<b>CIN:</b>	L51900MH1988PLC047157	
<b>Works:</b>	Survey No.65, Village Waliv, Vasai (East), Thane – 401 208	
<b>Wind Power:</b>	Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra	

## NOTICE

To  
The Members,  
**REMI ELEKTROTECHNIK LIMITED**

**NOTICE** is hereby given that the 36<sup>th</sup> Annual General Meeting of the Company will be held at the Company's Registered Office on **Friday, the 30<sup>th</sup> September, 2016**, at 12.30 P.M. to transact the following ordinary business:

- 1) To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2016, together with the reports of the Board of Directors and the Auditors thereon;
- 2) To confirm payment of interim dividend paid on equity shares for the financial year 2015-16 as final dividend for the year 2015-16.
- 3) To re-appoint as Director Shri Rajendra C. Saraf (DIN: 00161412), who retires by rotation.
- 4) To ratify the appointment of Auditors and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, the appointment of M/s Sundarlal, Desai & Kanodia, Chartered Accountants (Firm Registration No.110560W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company, be and are hereby ratified and on such remuneration to be fixed by the Board of Directors of the Company."

### **Special Business : Ordinary Resolution**

- 5) To ratify the remuneration of Cost Auditors.

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, remuneration payable to M/s Kejriwal & Associates, Cost Accountants, appointed by the Board of Directors as Cost Auditors of the Company for the year 2016-17, to conduct the audit of the cost records of the Company, on a remuneration of Rs.50,000/- (Rupees fifty thousand only) be and are hereby ratified and confirmed."

### **Special Business : Special Resolutions**

- 6) To revise the remuneration of Shri Sunil Saraf, Whole-Time Director of the Company.

"Resolved that the remuneration being paid to Shri Sunil Saraf, the Whole-Time Director of the Company, be and is hereby revised as follows, with effect from the 1<sup>st</sup> October, 2015.

- a) Basic Salary Rs.2,60,000/- per month.
- b) House Rent Allowance within a ceiling of 25% of the basic salary per month.
- c) Medical Expenses not exceeding 15 days of basic salary per annum.
- d) Bonus as per the rules of the Company with a ceiling of 20% of the annual basic salary.
- e) Children's Education allowance not exceeding 15 days of basic salary per annum.
- f) Leave Travel allowance not exceeding 15 days of basic salary per annum.
- g) Telephone at residence including Mobile Phone on Company's Account.
- h) Gratuity as per the rules of the Company.
- i) Car for office use without driver.
- j) Provident Fund as per the rules of the Company

"FURTHER RESOLVED THAT the Board of Directors of the Company shall have power to grant annual increments to the Whole-Time Director upto a limit of 20% of the total emoluments of the previous financial year, effective from the 1<sup>st</sup> October, 2017. However the overall remuneration shall not exceed the limits specified in Section II, Part II of Schedule V to the Companies Act, 2013.

7) To reappoint Shri Sunil Saraf (DIN:00157244), as a Whole-Time Director of the Company.

**“RESOLVED THAT** Shri Sunil Saraf (DIN:00157244) be and is hereby re-appointed as the Whole-Time Director of the Company for three years from the 1<sup>st</sup> October, 2016, on the following terms and conditions:

- a) Basic Salary Rs.2,60,000/- per month.
- b) House Rent Allowance within a ceiling of 25% of the basic salary per month.
- c) Medical Expenses not exceeding 15 days of basic salary per annum.
- d) Bonus as per the rules of the Company with a ceiling of 20% of the annual basic salary.
- e) Children’s Education allowance not exceeding 15 days of basic salary per annum.
- f) Leave Travel allowance not exceeding 15 days of basic salary per annum.
- g) Telephone at residence including Mobile Phone on Company’s Account.
- h) Gratuity as per the rules of the Company.
- i) Car for office use without driver.
- j) Provident Fund as per the rules of the Company

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For **REMI ELEKTROTECHNIK LIMITED**

**Registered Office**

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

Dated : 12<sup>th</sup> August, 2016

Sd/-

**(VISHWAMBHAR C. SARAF)**  
**CHAIRMAN & MANAGING DIRECTOR**  
**(DIN:00161381)**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING WILL BE ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, the 24<sup>th</sup> September, 2016 to Friday, the 30<sup>th</sup> September, 2016**, both days inclusive.
3. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered office of the Company on all working days, during 4.00 P.M to 6 P.M up to the date of the Meeting.
4. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Registrar M/s. Bigshare Services Private Limited / Company.

**5. Green Initiative :**

**Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same to the Company by sending email at rei\_igrd@remigroup.com or to M/s. Bigshare Services Private Limited or with the concerned depositories.**

**YOUR INITIATIVE WILL SAVE FOREST WEALTH OF OUR COUNTRY.**

6. Pursuant to provision of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members facility to exercise their rights to vote on the resolution proposed to be considered at the 36<sup>th</sup> Annual General Meeting by the electronic means/ remote e-voting) and/or voting by ballot paper at the AGM. The facility of casting the votes by the members using an electronic voting system from a place other than the venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL). The Notice is available on the website of the Company. The e-voting facility is available at the link <https://www.evoting.nsdl.com>.
7. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. A member may participate in the AGM even after exercising his/ her right to vote through remote e-voting but shall not be allowed to vote again at the AGM. In case Members cast their vote through both the modes, voting done by e-voting shall prevail and votes cast through Ballot form shall be treated as invalid.
8. The remote e-voting period shall commence at 9.00 a.m. on **26<sup>th</sup> September, 2016** and will end at 5 p.m. on **29<sup>th</sup> September, 2016**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
9. As directed by SEBI, for payment of Dividend, Members are requested to provide the bank account number and the details required for making ECS payment to the respective depository participant in case of shares held in demat and to share transfer agent of the Company in case of shares held in physical.
10. **The detailed procedure for remote e-voting is set out below :**
  - (a) In case of Members receiving an e-mail from NSDL:
    - (i) Open email and open PDF file viz; “REL remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL:  
<https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login.
    - (iv) put ‘User ID’ and Password’ as initial password/PIN as noted in step (i) above and click ‘Login’.
    - (v) Password change menu appears. Change the password/ PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

- (vii) Select 'EVEN' (E-voting Event Number) of **REMI ELEKTROTECHNIK LIMITED**.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
- (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at **relscrutinizer@gmail.com** with a copy marked to **evoting@nsdl.co.in**.

**(b) In case of Shareholders receiving physical copy of the Notice of AGM.**

- (i) Initial Password is provided in the enclosed Form.

EVEN (Remote E-voting Event Number)	User ID	Password/ PIN
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- (ii) Please follow all steps from Sr. No. (a) (ii) to Sr. No. (xii) above, to cast vote.

**(c) Other Instructions:**

- i. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll free no. 1800-222-990.
  - ii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - iii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
11. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e on **23<sup>rd</sup> September, 2016** Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date.
  12. Any persons who have acquired shares after the dispatch of the Notice and holding shares as on cut-off date i.e. **23<sup>rd</sup> September, 2016**, may obtain the user ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990.
  13. The Company has appointed Shri V.S.Iyer, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire ballot voting /e-voting process in a fair and transparent manner.
  14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  15. The scrutinizer shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

16. The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website i.e www.remigroup.com and on the website of NSDL after the result is declared by the chairman or a person authorized by him .The result shall also be forwarded to The Bombay Stock Exchange Limited.
17. An Explanatory Statement relating to the item of special business set out in items No. 5, 6 and 7 accompanies.

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

**Item No. 5**

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2016-17.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

**Item No.6 & 7**

The remuneration package of Shri Sunil Saraf was revised by the Board at its Meeting held on the 30<sup>th</sup> May, 2016. The remuneration being paid to him has been revised with effect from the 1<sup>st</sup> October, 2015 as per Schedule V, Part II section II (A) of the Companies Act, 2013.

Shri Sunil Saraf has been reappointed as Whole-Time Director of the Company from the 1<sup>st</sup> October, 2016 as per Schedule V, Part II section II (A) of the Companies Act, 2013 and hence, the following information is to be given herein:

- (i) The Remuneration Committee of Directors had approved of this remuneration.
- (ii) The Company has not made any default in repayment of its debts.
- (iii) Your approval is sought to be obtained by a Special Resolution.
- (iv) Attached hereto is a statement containing the following information:-

**I. General Information:**

- (1) Nature of Industry : Manufacture of Electrical Motors, Laboratory and Medical Equipments and allied items.
- (2) Commencement of commercial production : 1970
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not a new Company
- (4) Financial performance : The Company has a turnover of Rs.10874.78 Lacs and net profit of Rs.424.11 Lacs, for the financial year ended 31<sup>st</sup> March, 2016.
- (5) Foreign investments or collaborations : None

## II. Information about the Appointee:

- (1) Shri Sunil Saraf (56), is a commerce graduate of Nagpur University, After his graduation he joined REMI Group where he has been all these years. From the position of Management Trainee, by his sheer ability and concentration on the duties assigned to him, he rose to this position of the Company. The Company is rewarding him for his sincere contribution to the growth of the Company. He was first appointed on the board of the director on 31/01/2007. He holds 100 equity shares in the Company. He attended 5 (five) meetings of the Board of Directors during the year 2015-16. He is on Board of Rajendra Finance Private Limited. He has reappointed as Whole-Time Director of the Company from the 1<sup>st</sup> October, 2016 for term of 3 years.
- (2) Past remuneration : Rs.2.6 Lacs per month plus other benefits and perquisites.
- (3) Recognition or awards : ----
- (4) Job profile and his suitability : He is in-charge of production, sales and other administrative matters.
- (5) Remuneration Proposed : As set out in the Special Resolution.
- (6) Comparative Remuneration profile : In similar Companies, this package is the norm.
- (7) Pecuniary relationship : ----

**III. Other information** : Not Applicable

**IV. Disclosure** :

- (1) Remuneration Package : Set out in the Special Resolution
- (2) Report under the heading 'Corporate Governance' in Directors' Report
  - (i) Salary etc. of all other Directors : Not Applicable.
  - (ii), (iii) and (iv) : Not Applicable.

Shri Sunil Saraf is to be deemed to be interested in the item of business at 6 and 7.

Your Directors commend the resolutions for your approval.

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## DIRECTORS' REPORT

To  
The Members,  
**REMI ELEKTROTECHNIK LIMITED**

Dear Shareholders,

We present herewith the Annual Report and Audited Statements of accounts of the Company for the year ended 31<sup>st</sup> March, 2016.

(₹ in Lacs)

<b>Financial Results</b>	<b>2015 – 2016</b>		<b>2014 – 2015</b>	
Gross Turnover	10874.78		12196.20	
Profit before Finance Cost, Depreciation and Tax (EBIDTA)	1163.78		1746.62	
Finance Cost	331.90		369.09	
Depreciation	194.24		184.11	
Taxation	213.53	739.67	402.70	955.90
Profit for the period	424.11		790.72	
Balance brought forward	2458.40		1776.06	
	<b>2882.51</b>		<b>2566.78</b>	
<u>Appropriations</u>				
Transfer to General Reserve	50.00		50.00	
Interim Dividend Paid	243.25		48.65	
Distribution Tax on Interim Dividend	49.52		9.73	
Net surplus in the Statement of Profit & Loss	2539.74		2458.40	
	<b>2882.51</b>		<b>2566.78</b>	

### OPERATIONS:

The Company achieved a turnover of Rs.108.74 crores during the year as against Rs.121.96 crores in previous year. The Company achieved EBIDTA and net profit of Rs.11.64 crores and Rs.4.24 crores respectively during the year as against Rs.17.47 crores and Rs.7.90 crores respectively in previous year.

Revenue as well as profitability of electrical motor division continue to be affected adversely due to de-growth in user industries and severe competition. During the year revenue and profitability of instrument division has improved. The revenue and profitability of real estate division has affected substantially during the year due to slowdown in real estate sector.

During the year, the Company transferred a sum of Rs 50 lakhs to the General Reserves. There are no changes in the share capital during the year.

There are no Companies which have become or ceased to be its Subsidiaries, Joint Ventures or associate Companies.

### INTERIM DIVIDEND:

The Company has paid interim dividend of ₹ 5/- (50%) per equity share during the year. The Board of Directors do not recommend any final dividend and the interim dividend to be considered as the final dividend, for the financial year 2015-16.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As stipulated under Section 135 of the Companies Act, 2013 the Company has constituted 'Corporate Social Responsibility Committee' (CSR Committee) comprising of Shri Vishwambhar C. Saraf (DIN:00161381), Shri Rajendra C. Saraf (DIN:00161412), and Shri Shyam Jatia (DIN:00049457).

The Company has formulated a Corporate Social Responsibility policy. The Annual Report on CSR activities is annexed as “**Annexure A**” and forms part of this report and is also available at the website of the Company i.e www.remigroup.com.

#### **DIRECTORS:**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and **Regulation of SEBI (LODR) Regulations, 2015.**

#### **BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT:**

Shri Rajendra Saraf (DIN :00161412) retires by rotation and is to be re-appointed.

Shri Rajendra C. Saraf (62) is a commerce graduate from the University of Bombay. He hails from a family of business people of fifty years' standing. After his college education, he joined his family business and has received from his elders in the family very good training in business management. He has more than 35 years of business experience.

#### **BOARD MEETINGS:**

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

#### **POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:**

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining qualifications, positive attributes and independence of a Director and also a policy for remuneration of Directors, Key Managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

#### **AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the appointment of the auditors M/s Sundarlal, Desai & Kanodia, Chartered Accountants (Firm Registration No.110560W) shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment M/s Sundarlal, Desai & Kanodia, Chartered Accountants (Firm Registration No.110560W) as Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

#### **COST AUDITORS:**

Pursuant to Section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company required to be audited by cost auditors. The Board has on the recommendation of the Audit Committee, appointed M/s. Kejriwal & Associates, Cost Accountants to audit the cost records of the Company for the financial year 2016-17 on a remuneration of Rs.50,000/- (Rupees Fifty Thousand only) subject to ratification by members. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. Kejriwal & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

#### **SECRETARIAL AUDITOR:**

Shri V.S.Iyer, Practicing Company Secretary, was appointed to conduct the secretarial audit of the Company for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for FY 2015-16 forms part of the Annual Report as “**Annexure - B**” to the Board's report. There is no qualification, reservation or adverse remark in the report.

## **LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

## **RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS:**

Pursuant to provisions of The Companies Act, 2013 and Regulation of SEBI (LODR) Regulations, 2015, the Board has formulated Policy on Related Party Transactions and the same is available on the website of the Company at [www.remigroup.com](http://www.remigroup.com). All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no material related party transactions entered by the Company during the year and thus disclosure in Form AOC-2 is not required.

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company other than sitting fees .

Your Directors draw attention of the members to Note 1.7 to notes to accounts which sets out related party disclosures.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

### **A) Conservation of energy:**

- i. the steps taken or impact on conservation of energy; : All efforts are being made to conserve energy.
- ii. the steps taken by the company for utilising alternate sources of energy; : The Company is having Windmill.
- iii. the capital investment on energy conservation equipments; : The Company makes investment on energy conservation equipments on continuous basis.

### **(B) Technology absorption:**

- i. the efforts made towards technology absorption; : The Company does not have any foreign collaboration for manufacturing. The Company is continuously modernizing its production and testing machineries and equipments.
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution; : This is continuous process and the laboratory instruments are import substitutes.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
  - (a) the details of technology imported; : N.A.
  - (b) the year of import; : N.A.
  - (c) whether the technology been fully absorbed; : N.A.
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : N.A.
- iv. the expenditure incurred on Research and Development : Rs.13.84 Lacs

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Earnings	₹ 619.80 Lacs (including deemed exports & supplies to SEZ)
Outgo	₹ 72.66 Lacs

**AUDIT COMMITTEE:**

The Composition of the Audit Committee are stated in the Corporate Governance Report.

**RISK MANAGEMENT:**

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

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

Pursuant to the provisions of the Act and Regulation of SEBI (LODR) Regulations, 2015, the Board had carried out performance evaluation of its own, the Board Committees and of the Individual directors. Independent Directors at a separate meeting evaluated performance of the Non-Independent Directors, Board as a whole and of the Chairman of the Board. The manner in which the evaluation has been carried out has been detailed in the Corporate Governance Report.

**DEPOSITS:**

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

**INTERNAL CONTROL SYSTEM:**

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

**SIGNIFICANT AND MATERIAL ORDERS:**

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

**VIGIL MECHANISM:**

The Company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns and irregularities, if any in the Company, noticed by them. No personnel has been denied access to the Audit Committee. The same is posted on the website of the Company.

**EXTRACT OF THE ANNUAL RETURN**

The extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure - C".

**MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:**

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

No employee of the Company was in receipt of remuneration equal to or exceeding the prescribed limits pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors confirm that :

- a. in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2016, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors have selected 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 ended 31<sup>st</sup> March 2016 and of the profit of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts/ financial statements on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls are adequate and were operating effectively ; and
- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**APPRECIATION:**

Your Directors place on record their sincere thanks for the financial support from its bankers and Govt. Departments. They also place on record their appreciation for the dedicated services of the executives, staff and workers of the Company. Your Directors also appreciate the faith you have reposed in the Company and are confident that the Company can depend upon your continued support in its endeavour to grow.

**ON BEHALF OF THE BOARD**

**Registered Office:**

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

Dated: 12<sup>th</sup> August, 2016

**Sd/-**

**VISHWAMBHAR C. SARAF  
CHAIRMAN  
(DIN:00161381)**

## **MANAGEMENT DISCUSSION AND ANALYSIS:**

### **a) Industry structure and Development, Opportunities and Threats, Performance, Outlook, Risks and Concerns:**

The slowing down of the economy and the existing market conditions continue to downward effect on the electrical motor division during the financial year 2015-16 Company's Laboratory Instrument Division has done well during the year by increasing revenue and profitability. The Revenue from commercial real estate project has affected substantially during the year.

The revenue and profitability of the electrical motor division are expected to be under stress due to de-growth in user industries and capital goods industry which is the main consumer. The Laboratory Instrument Division is expected to perform well during the current year and improve in future due to focus of the Central and State Governments on the health sector. Demand for commercial real estate project of the Company is likely to improve in coming period due to its strategic location and successful infrastructure development i.e. Metro Rail, etc. in the area of the project.

### **b) Internal Control Systems and their adequacy:**

The Company has adequate internal control systems in technical and financial fields.

### **c) Financial Performance:**

The Financial Performance of the Company has improved with contribution from commercial real estate project of the Company during the year.

### **d) Human Resources/ Industrial Relations:**

The Company has maintained good industrial relations and is continuously adding to the human resources of the Company.

### **e) Cautionary Statement:**

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand and supply, finished goods prices in the domestic and overseas markets in which the Company operates, raw-materials cost and availability, changes in Government regulations, tax regimes, economic developments within or outside India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revive any forward looking statements on the basis of any subsequent developments, information or events.

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## **CORPORATE GOVERNANCE**

### **1. COMPANY'S BASIC PHILOSOPHY:**

The Company's philosophy – Remi for Reliability – is to undertake its business with integrity, fairness, transparency and accountability and to ensure that adequate internal control systems are devised and put in place so that the interests of shareholders, employees, suppliers and those associated with the Company are protected. The manufacturing is quality and customer focus.

### **2. BOARD OF DIRECTORS:**

During the year, the Board of Directors met 5 (Five) times on 29/05/2015, 14/08/2015, 14/11/2015, 13/02/2016 and 14/03/2016.

### **3. COMPOSITION AND CATEGORY OF DIRECTORS:**

Name of Director	Category	Attendance Particulars		Other Boards		
		Annual General Meeting	Board Meetings	Directorship	Committee Chairmanship	Committee Membership
Mr. Vishwambhar C. Saraf	Promoter	Yes	3	5	3	1
Mr. Rajendra C. Saraf	Promoter	Yes	5	5	3	4
Mr. Sunil Saraf	Executive	Yes	5	1	---	---
Mr. Ritvik V. Saraf	Promoter Executive	Yes	5	1	---	---
Mr. Shyam Jatia	Independent Non-Executive	No	4	5	---	---
Mr. Ashish Kanodia	Independent Non-Executive	No	5	1	---	---
Mr. Mahendra Chirawawala	Independent Non-Executive	No	5	2	---	---
Mr. Harkishan Zaveri	Independent Non-Executive	No	4	1	---	---
Mrs. Archana Bajaj	Independent Non-Executive	No	5	1	---	1

### **4. AUDIT COMMITTEE:**

The Audit Committee has two qualified, independent and non-executive directors and provides assistance to the Board of Directors in fulfilling its responsibilities.

The functions of the audit committee include:

- Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Discussing the adequacy of internal control systems, the scope of audit, internal audit reports and the compliance thereof.
- Recommending the fixation of the audit fee and also approval for payment for any other services of the Auditors.
- Reviewing with management the quarterly and annual financial statements, before submission to the Board.

Attendance of the members at the Audit Committee Meetings held during 2015-2016.

Committee Members	Designation	No. of Meetings	
		Held	Attended
Mr. Ashish Kanodia	Chairman	4	4
Mr. Vishwambhar C. Saraf	Member	4	3
Mr. Shyam Jatia	Member	4	4

#### **5. NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee Comprise of Mr. Ashish Kanodia (Chairman), Mr. Harkishan Zaveri and Mr. Mahendra Chirawawala, three non-executive directors and provides assistance to the Board of Directors in fulfilling its responsibilities.

Committee Members	Designation	No. of Meetings	
		Held	Attended
Mr. Ashish Kanodia	Chairman	2	2
Mr. Harkishan Zaveri	Member	2	2
Mr. Mahendra Chirawawala	Member	2	2

The Terms of reference of the committee comprise various matters provided under Regulation of SEBI (LODR) Regulations, 2015 and section 178 of the Companies Act, 2013, and other matters referred by the Board from time to time. The Chairman of the Committee is Non-executive Independent Director.

In terms of the Section 178 of the Companies Act, 2013 and the Regulation of SEBI (LODR) Regulations, 2015, the Remuneration Policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company had been formulated by the N&RC of the Company and approved by the Board of Directors. The Nomination and Remuneration Committee, has designed the remuneration policy in order to attract, motivate and retain the executive talent needed to achieve superior performance in a competitive market. The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis.

The remuneration policy is as below:

The Executive Directors and other whole time directors are paid remuneration by way of salary, commission, perquisites, incentives and allowances, as recommended by the Committee and the Board of Directors and approved by the Members of the Company from time to time. Non-Executive Independent Directors are entitled for sitting fees for attending meetings of the Board of Directors.

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business; balance of skills and expertise in view of the objectives and activities of the Company;



- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

#### 6. **REMUNERATION TO DIRECTORS:**

(₹ in Lacs)

NAME	DESIGNATION	SALARY	COMMISSION	SITTING FEES
Mr. Vishwambhar C. Saraf	Chairman and Managing Director	47.95	-	-
Mr. Sunil Saraf	Executive Director	39.27	-	-
Mr. Ritvik V. Saraf	Executive Director	30.86	-	-
Mr. Rajendra C. Saraf	Promoter	-	6.12	0.13
Mr. Shyam Jatia	Independent Non-Executive	-	-	0.17
Mr. Mahendra Chirawawala	Independent Non-Executive	-	-	0.15
Mr. Ashish Kanodia	Independent Non-Executive	-	-	0.19
Mr. Harkishan Zaveri	Independent Non-Executive	-	-	0.12
Mrs. Archnana Bajaj	Independent Non-Executive	-	-	0.15

#### 7. **STAKEHOLDERS RELATIONSHIP COMMITTEE:-**

The Members of the Committee comprise of Shri Vishwambhar C. Saraf, Shri Mahendra Chirawawala and Shri Sunil S. Saraf. Shri Mahendra Chirawawala is the Chairman of the Committee. Shri Sunil Saraf is Compliance Officer of the Company.

The Company had not received any complaints during the year 2015-16.

#### 8. **GENERAL BODY MEETINGS:**

The last 3 Annual General Meetings of the Company were held as under:

DATE	VENUE	TIME	NO. OF SPECIAL RESOLUTIONS
30/09/2013	Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai – 400 063	11.00 A.M.	One
30/09/2014	- do -	12.30 P.M	--
30/09/2015	- do -	-do-	One

#### 9. **POSTAL BALLOT:**

During the last year, no resolution was passed through Postal Ballot and no resolution is proposed to be passed through Postal Ballot.

## 10. DISCLOSURES:

Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.	:	Transactions with related parties are disclosed in Note No.1.7 to the accounts. These transactions are not in conflict with the interests of the Company
Details of non-compliances by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.	:	Nil
Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.	:	The Company has complied with all mandatory requirements of Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as applicable time to time.

## 11. PERFORMANCE EVALUATION OF INDEPENDENT DIRECTOR BOARD, COMMITTEES AND DIRECTORS:

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

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

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

## 12. INDEPENDENT DIRECTOR'S FAMILIARISATION PROGRAMME:

As per requirements of Regulation of SEBI (LODR) Regulations, 2015, the Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details of such familiarization programme is placed on the Company's website at link:

[http://remigroup.com/share\\_holder/rel/FAMILIARISATION%20PROGRAMMES%20FOR%20INDEPENDENT%20DIRECTORS.pdf](http://remigroup.com/share_holder/rel/FAMILIARISATION%20PROGRAMMES%20FOR%20INDEPENDENT%20DIRECTORS.pdf)

## 13. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:

Name of Directors	Shareholding (Nos.)
Shri Rajendra C. Saraf	108
Shri Shyam Jatia	--
Shri Mahendra Chirawawala	--
Shri Harkishin Zaveri	--
Shri Ashish Kanodia	--
Smt. Archana Bajaj	100

#### **14. BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT:**

Shri Rajendra C. Saraf (63) is a commerce graduate from the University of Bombay. He hails from a family of business people of more than fifty years' standing. After his college education, he joined his family business and has received from his elders in the family very good training in business management. He has more than 36 years of business experience. He is the Managing Director of Remi Process Plant and Machinery Limited and is on the Board of Remi Edelstahl Tubulars Limited, Pudumjee Industries Ltd., Pudumjee Hygiene Products Limited and Calplus Trading Pvt. Ltd.

#### **15. MEANS OF COMMUNICATION:**

The Company regularly intimates its financial results to the Bombay Stock Exchange Limited as soon as the same are approved and taken on record. These financial results are published in The Free Press Journal and Navshakti and are also available on website of the Company.

#### **16. GENERAL SHAREHOLDER INFORMATION:**

The 36<sup>th</sup> Annual General Meeting of the Company will be on **Friday, the 30<sup>th</sup> September, 2016**, at Company's Registered Office, REMI House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 at 12.30 P.M.

Financial year of the Company is from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016.

The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, the 24<sup>th</sup> September, 2016 to Friday, the 30<sup>th</sup> September, 2016**, both days inclusive.

##### ➤ **Listing on Stock Exchange:**

<b>Name of the Stock Exchange</b>	<b>Stock Code</b>
Bombay Stock Exchange Limited	512487

##### ➤ **Market Price Data: (Average Price)**

<b>MONTH</b>	<b>HIGH PRICE ( in ₹)</b>	<b>LOW PRICE ( in ₹)</b>
April – 2015	16.60	16.60
May – 2015	16.60	16.60
June – 2015	15.45	15.45
July – 2015	15.45	15.45
August – 2015	15.45	15.45
September – 2015	15.45	15.45
October – 2015	15.45	15.45
November – 2015	15.45	15.45
December – 2015	15.45	15.45
January – 2016	15.45	15.45
February – 2016	15.45	15.45
March – 2016	15.45	15.45

##### ➤ **Registrar and Transfer Agents:**

Bigshare Services Private Limited, E-2&3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 Tel: 022-28470652/ 40430200 Fax: 022-28475207  
E-mail: investor@bigshareonline.com, Website: www.bigshareonline.com

##### ➤ **Share Transfer system:**

The transfers received by the Company or Registrar and Transfer agents in physical form are processed and Share Certificates are dispatched.

➤ **Distribution of Shares:**

Distribution of Shareholding as on 31<sup>st</sup> March, 2016.

SHAREHOLDING OF NOMINAL	NO. OF SHAREHOLDERS	% OF TOTAL	SHARE	% OF TOTAL
1 – 500	116	85.93	11266	0.23
501 – 1000	2	1.48	1410	0.03
1001 – 2000	1	0.74	1300	0.03
4001 – 5000	1	0.74	4124	0.08
5001 – 10000	1	0.74	5280	0.11
10001 & Above	14	10.37	4841620	99.52
<b>TOTAL :</b>	<b>135</b>	<b>100.00</b>	<b>4865000</b>	<b>100.00</b>

Categories of Shareholders as on 31<sup>st</sup> March, 2016

CATEGORY	NO OF HOLDERS	NO OF SHARES	% OF TOTAL SHARE HOLDING
Individuals	123	3321066	68.26
Companies	12	1543934	31.74
FII's, NRIs & OCBs	--	--	--
Mutual Funds, Banks & FIs	--	--	--
<b>TOTAL :</b>	<b>135</b>	<b>4865000</b>	<b>100.00</b>

➤ **Dematerialization of Shareholding:**

As on 31<sup>st</sup> March, 2016, 4856110 equity shares constituting 99.82% have been dematerialized.

➤ **Plant Location:**

1. The manufacturing facility of the Company is located at Survey No. 65, Village Waliv, Vasai (East), Thane – 401 208.
2. Wind Mill is located at Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra.

➤ **Address for Correspondence:**

<p><b><u>Registered &amp; Corporate Office:</u></b>  REMI HOUSE, Plot No. 11,  Cama Industrial Estate,  Goregaon (E) Mumbai – 400 063  Ph. No. 022-4058 9888  Fax No. 022-26850888  Email: rei_igrd@remigroup.com</p>	<p><b><u>Registrar and Share Transfer Agent:</u></b>  Bigshare Services Private Limited  E-2&amp;3, Ansa Industrial Estate,  Sakivihar Road, Saki Naka,  Andheri (E), Mumbai – 400 072  Ph. No.: 022-2847 0652/ 4043 0200  Fax No.:022-2847 5207  Email: investor@bigshareonline.com</p>
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**ON BEHALF OF THE BOARD**

Sd/-

**VISHWAMBHAR C. SARAF**  
**CHAIRMAN**  
**(DIN:00161381)**

Place: Mumbai  
Dated: 12<sup>th</sup> August, 2016

## CERTIFICATE OF CORPORATE GOVERNANCE

The Members,

### **REMI ELEKTROTECHNIK LIMITED**

We have examined the compliance of conditions of Corporate Governance by REMI ELEKTROTECHNIK LIMITED, for the year ended on March 31, 2016 as stipulated in Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as applicable from time to time, entered by the Company with Bombay Stock Exchange Limited, Mumbai.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures 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 given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulation.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the stakeholders Relationship Committee of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.

**For SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS,**

Sd/-

**(M. B. DESAI)  
PARTNER**

PLACE : MUMBAI  
DATED : 12<sup>TH</sup> AUGUST, 2016

**MEMBERSHIP NUMBER:33978**

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**DECLARATION REGARDING CODE OF CONDUCT**

I hereby declare that all the members of the Board and the senior management personnel of **REMI ELEKTROTECHNIK LIMITED** have affirmed compliance with the Code of Conduct of the Company.

For **REMI ELEKTROTECHNIK LIMITED**

Sd/-

**(VISHWAMBHAR C. SARAF)**  
**MANAGING DIRECTOR**  
**(DIN:00161381)**

PLACE: MUMBAI  
DATED: 12<sup>TH</sup> AUGUST, 2016

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**Annual Report on Corporate Social Responsibility (CSR) Activities -2015-16**

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has adopted the CSR Policy in line with the Schedule VII of the Section 135 of the Companies Act, 2013. The Company has undertaken Education, Environment, health and Medical programs.  The CSR policy is available on the website of the Company : <a href="http://www.remigroup.com/">http://www.remigroup.com/</a>
2.	The Composition of the CSR Committee	Shri Vishwambhar Saraf Shri Rajendra Saraf Shri Shyam Jatia
3.	Average net profit of the company for last three financial years	Rs.8,94,81,798/-
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs.17,90,000/-
5.	Details of CSR spent during the financial year 2014-15 : (a) total amount to be spent for the financial year; (b) amount unspent, if any; (c) Manner in which the amount spent during the financial year ;	Rs.17,90,000/- Nil The Company has contributed Rs.17,90,000/- towards corpus of Smt. Mohridevi Kishandutt Saraf Trust, a Charitable Trust, and the said Trust has track record of more than three years in the field of Education, Environment, health and Medical programs which are the permitted activities under Schedule VII of the Section 135 of the Companies Act, 2013, as instructed by the Company.
6.	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	N.A.
7.	The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.	
<b>Sd/-</b> <b>Vishwambhar C. Saraf</b> Managing Director DIN : 00161381		<b>Sd/-</b> <b>Shyam Jatia</b> Chairman CSR Committee DIN : 00049457

**Form No. MR-3**  
**Secretarial Audit Report**

(For the Financial year ended **31<sup>st</sup> March, 2016**)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
**REMI ELEKTROTECHNIK LIMITED**  
CIN: L51900MH1988PLC047157  
Plot No.11 , Cama Industrial Estate,  
Goregaon (East), Mumbai -4000063

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **REMI ELEKTROTECHNIK LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2016**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **REMI ELEKTROTECHNIK LIMITED** ("The Company") for the Financial year ended on **31<sup>st</sup> March, 2016** according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**not applicable to the Company during audit period**);

Contd....2



(2)

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable to the Company during audit period)**;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during audit period)**;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(not applicable to the Company during audit period)**;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the Company during audit period)** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the Company during audit period)**.
- i) The examination of compliance of the provisions of other special applicable laws was limited to the verification of procedure on test basis.

**I have also examined compliance with the applicable clauses of the following:**

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. **(w.e.f. 1<sup>st</sup> July, 2015 to 31<sup>st</sup> March, 2016)**
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited,

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

**I further report that:**

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc., referred to above.

**Place : Mumbai**  
**Date : 5<sup>th</sup> August, 2016**

**Sd/-**  
**V. S. IYER**  
**Company Secretary in**  
**Whole-Time Practice**  
**C.P. No.194**

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L51900MH1988PLC047157
2	Registration Date	5-12-1980
3	Name of the Company	REMI ELEKTROTECHNIK LIMITED
4	Category/Sub-category of the Company	Company limited by shares/ Indian Non-Government Company
5	Address of the Registered office & contact details	Remi House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai-400063
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited, E-2&3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072 Ph. No.:022-2847 0652/ 4043 0200, Fax No.:022-2847 5207 Email: investor@bigshareonline.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Laboratory Equipements	28191, 32502, 32503, 32509	53.32
2	Property Sales	41001	19.02
3	Electric Motors	27103	18.71

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nil				

## IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

## (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1,346,730	-	1,346,730	27.68%	1,346,730	-	1,346,730	27.68%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	1,661,234	-	1,661,234	34.15%	1,661,234	-	1,661,234	34.15%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other (Trust)	463,296	-	463,296	9.52%	463,296	-	463,296	9.52%	0.00%
<b>Sub Total (A) (1)</b>	<b>3,471,260</b>	<b>-</b>	<b>3,471,260</b>	<b>71.35%</b>	<b>3,471,260</b>	<b>-</b>	<b>3,471,260</b>	<b>71.35%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>3,471,260</b>	<b>-</b>	<b>3,471,260</b>	<b>71.35%</b>	<b>3,471,260</b>	<b>-</b>	<b>3,471,260</b>	<b>71.35%</b>	<b>0.00%</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1,382,200	500	1,382,700	28.42%	1,382,200	500	1,382,700	28.42%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,150	8,890	11,040	0.23%	2,150	8,890	11,040	0.23%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	1,384,350	9,390	1,393,740	28.65%	1,384,350	9,390	1,393,740	28.65%	0.00%
<b>Total Public (B)</b>	1,384,350	9,390	1,393,740	28.65%	1,384,350	9,390	1,393,740	28.65%	0.00%
<b>C. Shares held by</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	4,855,610	9,390	4,865,000	100.00%	4,855,610	9,390	4,865,000	100.00%	0.00%

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	ANUPAMA KASERA	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
2	BAJRANG FINANCE LTD	1144640	23.53%	0.00%	114640	2.36%	0.00%	-21.17%
3	CHIRANJILAL SARAF & SONS H.U.F.	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
4	CHIRANJILAL SARAF FAMILY TRUST	308	0.01%	0.00%	308	0.01%	0.00%	0.00%
5	FULIDEVI SARAF FAMILY TRUST	462988	9.52%	0.00%	962988	19.79%	0.00%	10.28%
6	K K FINCORP LTD. (FORMERLY KNOWN AS KUBERKAMAL INDUSTRIAL INVESTMENTS LTD.)	90280	1.86%	0.00%	5280	0.11%	0.00%	-1.75%
7	MINAKSHI R SARAF	102108	2.10%	0.00%	102108	2.10%	0.00%	0.00%
8	RAJENDRA C. SARAF	108	0.00%	0.00%	108	0.00%	0.00%	0.00%
9	RAJENDRA CHIRANJILAL H.U.F.	400	0.01%	0.00%	500400	10.29%	0.00%	10.28%
10	REMI FINANCE & INVT. PVT. LTD.	510	0.01%	0.00%	510	0.01%	0.00%	0.00%
11	REMI SALES & ENGG. LTD.	36680	0.75%	0.00%	36680	0.75%	0.00%	0.00%
12	REMI SECURITIES LIMITED	389124	8.00%	0.00%	4124	0.08%	0.00%	-7.91%
13	RISHABH R SARAF H.U.F.	10	0.00%	0.00%	10	0.00%	0.00%	0.00%
14	RISHABH R. SARAF	500110	10.28%	0.00%	500110	10.28%	0.00%	0.00%
15	RITVIK V SARAF	112786	2.32%	0.00%	112786	2.32%	0.00%	0.00%
16	SHRUTI R. SARAF	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
17	SWATI LATH	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
18	VANDANA V SARAF	80708	1.66%	0.00%	80708	1.66%	0.00%	0.00%
19	VISHWAMBHAR C. SARAF	100	0.00%	0.00%	100	0.00%	0.00%	0.00%
20	VISHWAMBHARLAL CHIRANJILAL H.U.F.	550000	11.31%	0.00%	1050000	21.58%	0.00%	10.28%
	<b>TOTAL:</b>	<b>3,471,260</b>	<b>71.35%</b>	<b>0.00%</b>	<b>3,471,260</b>	<b>71.35%</b>	<b>0.00%</b>	<b>0.00%</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year		0.00%		0.00%
	Changes during the year	There are no changes during the year		0.00%	0.00%
	At the end of the year		0.00%		0.00%

**(iv) Shareholding Pattern of top ten Shareholders***(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	HANUMAN FORGING AND ENGINEERING PVT .LTD.				
	At the beginning of the year	960900	19.75%	960,900	19.75%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	960900	19.75%
2	HANUMAN FREIGHT AND CARRIERS PVT. LTD.				
	At the beginning of the year	178500	3.67%	178,500	3.67%
	Changes during the year Transfer	-	0.00%	-	0.00%
	At the end of the year		0.00%	178,500	3.67%
3	LAKSHMINARAYAN REALFINVEST LIMITED				
	At the beginning of the year	156200	3.21%	156,200	3.21%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	156,200	3.21%
4	JAI AMBIKA FINANCE AND INVESTMENT PVT. LTD.				
	At the beginning of the year	45600	0.94%	45,600	0.94%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	45,600	0.94%
5	DHOLISHAKTI ENTERPRISES PVT. LTD.				
	At the beginning of the year	40000	0.82%	40,000	0.82%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	40,000	0.82%
6	VAISHRAVAN FINANCE AND INVESTMENTS LIMITED				
	At the beginning of the year	1300	0.03%	1,300	0.03%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	1,300	0.03%
7	JAGDISH SURENDRA DALAL				
	At the beginning of the year	900	0.02%	900	0.02%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	900	0.02%
8	ANIL MAHESHWARI				
	At the beginning of the year	300	0.01%	300	0.01%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	300	0.01%
9	BASUKI NATH				
	At the beginning of the year	200	0.00%	200	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	200	0.00%
10	VAYUDOOT TRADING LIMITED				
	At the beginning of the year	200	0.00%	200	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	200	0.00%

Note: The above information is based on the weekly beneficiary position received from depository.

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Vishwambhar C. Saraf				
	At the beginning of the year	100	0.00%	100	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	100	0.00%
2	Rajendra C. Saraf				
	At the beginning of the year	108	0.00%	108	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	108	0.00%
3	Sunil Saraf				
	At the beginning of the year	100	0.00%	100	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	100	0.00%
4	Ritvik V. Saraf				
	At the beginning of the year	112,786	2.32%	112,786	2.32%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	112,786	2.32%
5	Shyam Jatia				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	-	0.00%
6	Mahendra M. Chirawawala				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	-	0.00%
7	Ashish Kanodia				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	-	0.00%
8	Harkishan P. Zaveri				
	At the beginning of the year	-	0.00%	-	0.00%
	Changes during the year	-	0.00%	-	0.00%
	At the end of the year		0.00%	-	0.00%
9	Archana P. Bajaj				
	At the beginning of the year	100	0.00%	100	0.00%
	Changes during the year	-	0.00%		0.00%
	At the end of the year		0.00%	100	0.00%

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,155.36	1,442.04	-	2,597.40
ii) Interest due but not paid	-	163.51	-	163.51
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,155.36</b>	<b>1,605.55</b>	<b>-</b>	<b>2,760.91</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	1,025.75	-	1,025.75
* Reduction	(241.79)	-	-	(241.79)
Net Change	(241.79)	1,025.75	-	783.96
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	913.57	2,416.42	-	3,329.99
ii) Interest due but not paid	-	214.88	-	214.88
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>913.57</b>	<b>2,631.30</b>	<b>-</b>	<b>3,544.87</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
(1)	Name:	Shri Vishwambhar C. Saraf	Shri Sunil Saraf	Shri Ritvik Saraf	(in Lac)
	Designation:	Managin Director	Whole-Time Director	Whole-Time Director	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45.65	39.27	30.15	115.07
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.30	-	0.71	3.01
	(c) Profits in lieu of salary under section 17(3) Income- tax Act. 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	47.95	39.27	30.86	118.08
	Ceiling as per the Act	As per applicable Companies Act.			

## B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount	
							(in Lac)	
1	Independent Directors	Shri Shyam Jatia	Shri Ashish Kanodia	Shri Harkishan Zaveri	Smt. Archana Bajaj -w.e.f. 14/08/2014	Shri Mahendra Chirawawal		
	Fee for attending board committee meetings	0.17	0.19	0.12	0.15	0.15	0.78	
	Commission	-	-	-	-	-	-	
	Others, please specify						-	
	Total (1)	0.17	0.19	0.12	0.15	0.15	0.78	
2	Other Non-Executive Directors	Shri Rajendra C. Saraf						
	Fee for attending board committee meetings						0.13	0.13
	Commission						6.12	6.12
	Others, please specify						-	-
	Total (2)						7.16	7.16
	Total (B)=(1+2)							7.94
	<b>Total Managerial Remuneration</b>							<b>126.02</b>
	Overall Ceiling as per the Act	As per applicable Companies Act.						

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
	Name	Shri Ritvik Saraf	(in Lac)
	Designation	Chief Financial Officer (KMP)	
1	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		30.15
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961		0.71
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission		
	- as % of profit		-
	- others, specify		-
5	Others, please specify		-
	<b>Total</b>		<b>30.86</b>
			<b>30.86</b>



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					}
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					} Nil
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					}
Punishment					
Compounding					

## **INDEPENDENT AUDITORS' REPORT**

To,

The Members of **REMI ELEKTROTECHNIK LIMITED**.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **REMI ELEKTROTECHNIK LIMITED**, which comprise the balance sheet as at 31st March, 2016, and the statement of profit and loss and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Contd.....2.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2016;
- ii. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraph 3 and 4 of the Order, to extent applicable.

Contd.....3.

2. As required by section 143(3) of the Act, we report that:
- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. in our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
  - c. the balance sheet and statement of profit and loss dealt with by this report are in agreement with the books of account and returns.
  - d. in our opinion, the balance sheet, statement of profit and loss and cash flow statement comply with the accounting standards referred to in section 133 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014.
  - e. on the basis of written representations received from the Directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a Director in terms of clause of sub-section (2) of section 164 of the Companies Act, 2013.
  - f. in our opinion the Company has adequate internal financial controls system in place and the operating effectiveness of such controls refer to our separate report in “Annexure –B”.
  - g. with respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements.

Contd.....4.

: 4 :

- ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
- iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS,  
(Firm Registration No.110560W)**

**Sd/-**

PLACE : MUMBAI  
DATED : 30<sup>TH</sup> MAY, 2016

**(M. B. DESAI)  
PARTNER  
Membership Number 33978**

## **ANNEXURE 'A' TO THE AUDITORS' REPORT**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of Company.
- (ii) According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to Companies/Firm/Limited Liability Partnerships/Other Persons covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provisions of the Companies Act, 2013 and rules framed there under are not attracted.

Contd.....2.

- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable to it with appropriate authorities and there were no undisputed arrears as at 31st March, 2016 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the particulars of dues of Income tax, Sales Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess as at 31st March, 2016, which have not been deposited on account of a dispute, are as follows: -

Sr. No.	Name of the Statute	Nature of dues & Period	Amount (₹)	Form where dispute is pending
1.	Service Tax Act	Service Tax & Penalty F.Y. 2008-09	82,143/-	CEST Appellate Tribunal
2	Central Excise Act	Excise Duty F.Y. 2008-09	2,14,076/-	CEST Appellate Tribunal
3.	Central Sales Tax Act	Central Sales Tax & Penalty F.Y. 2005-06	25,227/-	Deputy Commissioner (Appeals)
4.	The Income Tax Act	Income Tax & Interest F.Y. 2008-09	23,29,390/-	Commissioner (Appeals)

Contd.....3.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institutions, banks, Government or debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer, including debt instruments and term loans in current year and also in immediately preceding year.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to information and explanations given to us, the Company paid or provided managerial remuneration with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(XII) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered to any non-cash transactions with directors or persons connected with him.



:: 4 ::

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS,  
(Firm Registration No.110560W)**

**Sd/-**

PLACE : MUMBAI  
DATED : 30<sup>TH</sup> MAY, 2016

**(M. B. DESAI)  
PARTNER  
Membership Number 33978**

## **ANNEXURE - “B” TO THE AUDITORS’ REPORT**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Remi Elektrotechnik Limited (“the Company”) as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Contd.....2

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over

financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS,  
(Firm Registration No.110560W)**

**Sd/-**

PLACE : MUMBAI  
DATED : 30<sup>TH</sup> MAY, 2016

**(M. B. DESAI)  
PARTNER  
Membership Number 33978**

**REMI ELEKTROTECHNIK LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2016**

Particulars	Notes	AS AT	AS AT
		31.03.2016	31.03.2015
		(₹)	(₹)
<b>I. EQUITY AND LIABILITIES:</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2	48,650,000	48,650,000
(b) Reserves and Surplus	3	734,078,929	720,935,815
		<b>782,728,929</b>	<b>769,585,815</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	4	211,573,653	151,748,781
(b) Deferred Tax Liabilities (Net)		16,796,935	17,045,449
(c) Other Long term Liabilities	5	22,138,551	23,849,821
(d) Long-Term Provisions	6	5,859,958	5,489,513
		<b>256,369,097</b>	<b>198,133,564</b>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	7	141,089,636	121,616,099
(b) Trade Payables	8	89,168,417	96,002,926
(c) Other Current Liabilities	9	99,654,256	97,834,504
(d) Short-Term Provisions	10	2,425,604	9,779,703
		<b>332,337,913</b>	<b>325,233,232</b>
		<b>1,371,435,939</b>	<b>1,292,952,611</b>
<b>II. ASSETS:</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		202,269,186	218,454,126
(ii) Intangible Assets		1,995,242	792,738
(b) Non-Current Investments	12	419,250	419,250
(c) Long Term Loans and Advances	13	7,417,455	5,818,227
		<b>212,101,133</b>	<b>225,484,341</b>
<b>(2) Current Assets</b>			
(a) Inventories	14	792,735,879	781,461,894
(b) Trade Receivables	15	293,591,335	225,647,249
(c) Cash and Cash Equivalents	16	1,812,422	7,115,337
(d) Short-term Loans and Advances	17	71,056,085	53,114,168
(e) Other Current Assets	18	139,085	129,622
		<b>1,159,334,806</b>	<b>1,067,468,270</b>
		<b>1,371,435,939</b>	<b>1,292,952,611</b>

The accompanying notes are an integral part of the financial statements

1

AS PER OUR REPORT OF EVEN DATE  
FOR SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS  
(Firm Registration Number-110560W)

FOR AND ON BEHALF OF BOARD

Sd/-

Sd/-

(M.B. DESAI)  
PARTNER  
Membership Number - 33978

V.C. SARAF  
CHAIRMAN & MANAGING DIRECTOR  
DIN:00161381

SUNIL SARAF  
WHOLE TIME DIRECTOR  
DIN:00157244

RITVIK V. SARAF  
WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER  
DIN:01638851

PLACE : MUMBAI  
DATED : 30TH MAY, 2016

**REMI ELEKTROTECHNIK LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

Particulars	Notes	For the Year Ended	For the Year Ended
		31.03.2016	31.03.2015
		(₹)	(₹)
I. Revenue from Operations	19	1,087,478,010	1,219,619,579
Less: Excise Duty		86,821,963	69,227,827
		1,000,656,047	1,150,391,752
II. Other Income	20	1,342,576	2,790,707
<b>III. Total Revenue (I +II)</b>		<b>1,001,998,623</b>	<b>1,153,182,459</b>
IV. <u>Expenses:</u>			
Cost of Materials Consumed	21	441,956,430	423,983,525
Purchases and Expenditure of Real estate development	22	178,784,140	412,656,231
Purchase of Traded Goods	23	11,574,802	13,626,073
Changes in Inventories of Finished Goods & Work-in-Progress	24	(13,303,919)	(111,262,514)
Employee Benefit Expenses	25	83,988,359	79,331,755
Other Expenses	26	182,620,460	160,185,461
Depreciation and amortisation		19,423,950	18,411,356
Finance Costs	27	33,190,162	36,909,247
<b>V. Total Expenses</b>		<b>938,234,384</b>	<b>1,033,841,134</b>
VI. Profit before Tax (III - V)		63,764,239	119,341,325
VII. <u>Tax Expenses</u>			
(a) Current tax		21,601,113	38,574,677
(b) Deferred tax		(248,514)	1,694,863
VIII. Profit for the period (VI - VII)		42,411,640	79,071,785
IX. Earning per Equity Share [Nominal Value of Share Rs. 10]			
(1) Basic		8.72	16.25
(2) Diluted		8.72	16.25

The accompanying notes are an integral part of the financial statements

1

**AS PER OUR REPORT OF EVEN DATE  
FOR SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS  
(Firm Registration Number-110560W)**

**FOR AND ON BEHALF OF BOARD**

Sd/-

**(M.B. DESAI)  
PARTNER  
Membership Number - 33978**

PLACE : MUMBAI  
DATED : 30TH MAY, 2016

Sd/-

**V.C. SARAF  
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**RITVIK V. SARAF  
WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER  
DIN:01638851**

**REMI ELEKTROTECHNIK LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR 2015-2016**

	(₹ in Lacs)	
	2015-16	2014-15
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax and Extra-ordinary item	637.64	1,193.41
<b>Adjustment for :</b>		
Depreciation	194.24	184.11
Interest	331.90	369.09
Profit on sale of Fixed Assets	-	(1.88)
Profit on sale of Investments	-	(6.83)
Other Income	(13.43)	(19.22)
<b>Operating profit before working capital changes</b>	<b>1,150.35</b>	<b>1,718.68</b>
<b>Adjustment for :</b>		
Trade and Other Receivables	(874.95)	324.90
Inventories	(112.74)	(1,098.80)
Trade Payable and Provision	(128.07)	353.13
<b>Cash Generated from Operations</b>	<b>34.59</b>	<b>1,297.91</b>
Direct Taxes Paid	(216.01)	(385.75)
<b>Cash Flow before Extra-ordinary items</b>	<b>(181.42)</b>	<b>912.16</b>
Extra-ordinary items	-	-
<b>Net Cash from Operating Activities (A)</b>	<b>(181.42)</b>	<b>912.16</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(44.33)	(103.19)
Sales of Fixed Assets	-	3.90
Sale of Investments	-	7.13
Other Income	13.43	19.22
<b>Net Cash used in Investing Activities (B)</b>	<b>(30.90)</b>	<b>(72.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(331.90)	(369.09)
Proceeds from Long Term Loan	589.22	-
Proceeds from Short Term Loan	-	-
Repayment of Long Term Loan	-	(23.35)
Repayment of Short Term Loan	194.74	(607.96)
Interim Dividends and Distribution Tax Paid	(292.77)	(58.38)
<b>Net Cash used in Financial Activities (C)</b>	<b>159.29</b>	<b>(1,058.78)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(53.03)</b>	<b>(219.56)</b>
Cash as at (Closing Balance)	18.12	71.15
Cash as at (Opening Balance)	71.15	290.71
<b>Increase/Decrease in Cash Balance</b>	<b>(53.03)</b>	<b>(219.56)</b>

**NOTES:**

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on "Cash Flow Statement".
- 2) Cash and Cash equivalents includes Cash and Bank balances.
- 3) Figures in bracket represents Cash Outflow.

**AS PER OUR REPORT OF EVEN DATE  
FOR SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

Sd/-

**(M.B. DESAI)  
PARTNER  
Membership Number - 33978**

PLACE : MUMBAI  
DATED : 30TH MAY, 2016

Sd/-

**V.C. SARAF  
CHAIRMAN & MANAGING DIRECTOR  
DIN:00161381**

**SUNIL SARAF  
WHOLE TIME DIRECTOR  
DIN:00157244**

**RITVIK V. SARAF  
WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER  
DIN:01638851**

**REMI ELEKTROTECHNIK LIMITED**  
**Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2016.**

**NOTE – 1**

**1.1 Company Profile:**

Remi Elektrotechnik Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is an engineering company primarily engaged in manufacturing of electrical motors and laboratory equipments. The company is also developing commercial real estate property at Andheri (West), Mumbai. The Company is listed on BSE.

**1.2 SIGNIFICANT ACCOUNTING POLICIES:**

**i) Basis of Accounting**

The Financial Statements are prepared under historical cost convention and generally on accrual basis and are in accordance with the requirement of the Companies Act, 2013.

**ii) Fixed Assets, Depreciation and Treatment of Expenditure During Construction**

- a) All Fixed Assets are valued at cost, which include expenditure incurred in acquisition and construction/installation and other related expenses & difference in foreign exchange liability related to assets acquired in foreign currency in accordance with Notification dated 31<sup>st</sup> March, 2009.
- b) Depreciation on fixed asset is provided to the extent of depreciable amount provided on straight line method. Depreciation is provided based on useful life of the asset as prescribed in Schedule II in to the Companies Act, 2013. In respect of additions on extensions forming an integral part of existing fixed assets, depreciation provided as aforesaid over the useful life of the respective asset.
- c) Leasehold Land is amortised over the lease period.
- d) Short Depreciation of earlier period as per the revised schedule II to the Companies Act, 2013 based on useful lives of fixed assets has been adjusted from the retained earnings.

**iii) Intangible Assets**

Expenditure incurred for acquiring Software is stated at acquisition cost less accumulated amortization. They are amortised over their useful life not exceeding five years.

**iv) Assets Given on Operating Lease**

- a) All assets given on operating lease are capitalized as Fixed Assets and shown separately in the Fixed Assets Schedule.
- b) Depreciation on fixed asset is provided to the extent of depreciable amount provided on straight line method. Depreciation is provided based on useful life of the asset as prescribed in Schedule II in to the Companies Act, 2013. In respect of additions on extensions forming an integral part of existing fixed assets, depreciation provided as aforesaid over the useful life of the respective asset.



v) **Inventories**

- a) Raw materials and General Stores are valued at cost or net realizable value whichever is less, excluding Cenvat and VAT credit, by FIFO method.
- b) Work in Process is valued at raw material cost plus estimated overheads or net realizable value, whichever is less but excluding Cenvat and VAT credit.
- c) Finished Goods valued at cost including estimated overheads or net realizable value whichever is less. The value includes excise duty paid/payable on such goods.
- d) Scrap is valued at net realizable value. This value includes excise duty payable thereon.

vi) **Retirement Benefits**

1) **Post-Employment Employee benefits**

a) **Defined Contribution Plans:**

The company has Defined Contribution Plan for Post employment benefits in the form of Provident Fund for all employees which is administered by Regional provident Fund Commissioner. Provident Fund is classified as defined contribution plan as the Company has no further obligation beyond making the contributions. The Company's contribution to Defined Contribution Plan is charged to the statement of profit and Loss as and when incurred.

b) **Defined Benefit Plans:**

Funded Plan: The Company has defined benefit plan for Post-Employment benefit in the form of Gratuity for all employees which is administered through Life Insurance Corporation (LIC)

Liability for above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit method.

2) **Other Long-term Employee Benefit**

Liability for Compensated Absences (unutilized leave benefit) is provided on the basis of valuation, as at the Balance Sheet Date, carried out by an independent actuary. The actuarial valuation method used for measuring the liability is the Projected Unit credit method in respect of past service.

- 3) Termination benefits are recognized as an expense as and when incurred.
- 4) The actuarial gains and losses arising during year are recognized in the statement of Profit and Loss of the year without resorting to any amortization.

vii) **Investments**

Long Term investments are stated at cost. However, provision for diminution for decline other than temporary fall in market value, if any, is provided for. Current Investments are carried at lower of cost and fair value.

**viii) Revenue Recognition**

Sales are inclusive of excise duty and net of sales tax, sales returns, claims and discount, etc. Domestic sale is recognised at the point of billing & exports sale is recognised on date of Bill of lading.

Revenue from property development is recognised as per Guidance Note on Accounting for Real Estate transactions (Revised 2012) issued by the ICAI, which is effective from 01.04.2012.

**ix) Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition of fixed assets are capitalised for the period until the asset is ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**x) Taxes on Income**

Income Tax expense for the year comprises of current tax and deferred tax. Current tax provision has been determined on the basis of relief's, deduction available under the Income Tax Act. Deferred Tax is recognized for all timing differences, subject to the consideration of prudence, applying the tax rates and laws that have been enacted or substantively enacted on Balance Sheet Date. Deferred Tax asset is recognized only to the extent there is virtual certainty that assets will be realized in future.

**xi) Foreign Currency Transaction**

- a) Foreign currency transactions are recorded at exchange rate prevailing on the date of transaction.
- b) Foreign currency receivable/payables at the year end are translated at exchange rates applicable as on that date.
- c) Any gains or losses arising due to exchange differences at the time of translation or settlement are accounted for in the statement of Profit & Loss.

**xii) Impairment of Assets**

In accordance with AS 28 on 'Impairment of assets', where there is an indication of impairment of the company's assets related to cash generating units, the carrying amount of such assets are reviewed at each balance sheet date to determine whether there is any impairment. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**xiii) Provisions, Contingent Liabilities and Contingent Assets:**

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are disclosed separately.

**xiv) Excise Duty:**

Excise Duty payable on products is accounted for at the time of dispatch of goods from the factory but is accrued for stocks held at the year end. Excise Duty related to the difference between the closing stock and opening stock of finished goods has been recognized separately in the statement of Profit and Loss under "Other Expenses".



## 1.6 Information about business Segments:

(₹)

Revenue	Electrical Motors	Instruments	Real Estate	Wind Power	Total
External	18,00,00,109 (20,87,85,522)	60,33,00,217 (49,41,35,728)	20,63,44,886 (43,64,85,409)	1,35,71,489 (1,30,18,465)	100,32,16,701 (115,24,25,124)
Less: Inter Segment	25,60,654 (20,33,372)	-- (--)	-- (--)	-- (--)	25,60,654 (20,33,372)
<b>Total Revenue</b>	<b>17,74,39,455</b> <b>(20,67,52,150)</b>	<b>60,33,00,217</b> <b>(49,41,35,728)</b>	<b>20,63,44,886</b> <b>(43,64,85,409)</b>	<b>1,35,71,489</b> <b>(1,30,18,465)</b>	<b>100,06,56,047</b> <b>(115,03,91,752)</b>
<b>Result</b>					
Segment Result	9,02,234 (72,72,180)	5,36,71,026 (2,76,55,754)	3,70,57,554 (11,62,03,284)	53,23,587 (51,19,354)	9,69,54,401 (15,62,50,572)

Financial Charges(Net)	3,31,90,162 (3,69,09,247)
Profit Before tax	6,37,64,239 (11,93,41,325)
Provision for current taxation	2,16,01,113 (3,85,74,677)
Provision for deferred taxation/(credit)	(2,48,514) (16,94,863)
Profit after taxation	4,24,11,640 (7,90,71,785)

<u>Other Information</u>	Electrical Motors	Instruments	Real Estate	Wind Power	Total
Segment Assets	17,24,82,327 (20,55,50,331)	37,31,92,641 (31,03,72,160)	76,17,35,525 (70,98,42,178)	6,40,25,446 (6,71,87,942)	137,14,35,939 (129,29,52,611)
Segment Liabilities	7,25,65,215 (8,85,07,141)	21,54,96,563 (17,75,63,707)	45,73,26,308 (47,10,76,349)	1,23,213 (16,97,000)	74,55,11,299 (73,88,44,197)
Capital Expenditure	6,43,564 (5,15,796)	34,19,817 (84,73,316)	3,69,297 (13,29,713)	- (-)	44,32,678 (1,03,18,825)
Depreciation	82,88,804 (80,17,560)	57,59,214 (53,18,827)	4,26,140 (1,33,771)	49,49,792 (49,41,198)	1,94,23,950 (1,84,11,356)
Non-Cash Expenses- other than depreciation	-- (--)	-- (--)	-- (--)	-- (--)	-- (--)

**Note:-****Management has identified four separate segments namely:**

- Electrical Motors** – Comprising of electrical motors of all types and parts thereof.
- Instruments** – Comprising of laboratory instruments and equipments and parts thereof.
- Real Estate** – Comprising of development of Commercial property.
- Wind Power** - Comprising of generation of Wind Energy.

Contd.....6.

**1.7 Related parties disclosures:**i) (a) Key Management Personal:

Shri V.C.Saraf- Chairman & Managing Director  
 Shri Ritvik.V.Saraf- Whole -Time Director & Chief Financial Officer  
 Shri Sunil Saraf – Whole -Time Director

(b) Associate companies:

Bajrang Finance Ltd., Remi Process Plant & Machinery Ltd. and Remi Edelstahl Tubulers Ltd.

(c) Relatives of key management personal and their enterprises where transactions have taken place:

Rajendra Electric Motor Industries

**Note:** Related party relationship is as identified by the Company and relied upon by the Auditors.

ii) Transactions carried out with related parties referred in i) above, are in ordinary course of business:

Nature of Transaction	Related Parties		
	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
	(₹)	(₹)	(₹)
Sales & Labour charges	-- (--)	40,16,465 (39,89,431)	-- (--)
Royalty Charges Paid	-- (--)	-- (--)	14,78,514 (12,72,826)
Remuneration Paid	1,33,03,322 (1,01,77,156)	-- (--)	-- (--)
Rent Paid	-- (--)	20,16,840 (20,16,000)	-- (--)
Interest Paid	4,55,586 (1,38,607)	38,45,230 (6,45,502)	-- (--)
Reimbursement of Expenses	-- (--)	7,95,052 (6,77,870)	-- (--)
Vehicle Hiring Charges Paid	-- (--)	-- (--)	9,00,000 (9,00,000)
Loan taken during the year	1,10,00,000 (29,00,000)	9,92,00,000 (3,53,50,000)	-- (--)
Rent Received	-- (--)	-- (60,000)	-- (--)
Purchase Raw Material	-- (--)	-- (1,33,197)	-- (--)

Contd.....7.

<u>Closing Balances as on 31.03.2016</u>			
Payable	4,10,027 (--)	5,44,30,964 (71,06,248)	81,477 (4,02,671)
Receivable	-- (--)	-- ( 3,540)	-- (--)

**1.8 Percentage of Consumption of Imported Goods with Total Consumption:**

	Value ( ₹ )	% of Total Consumption
Imported	4,99,586 (15,43,078)	0.11 (0.36)
Indigenous	44,14,56,844 (42,24,40,447)	99.89 (99.64)
<b>TOTAL</b>	<b>44,19,56,430</b> <b>(42,39,83,525)</b>	<b>100.00</b> <b>(100.00)</b>

**1.9 Disclosures in accordance with Revised AS – 15 on “Employee Benefits” :****(A) Defined Contribution Plans:**

The Company has recognized the following amounts in the Statement of Profit and Loss for the year:

**For the year ended March 31, 2016 (₹)**

Contribution to Employees' Provident Fund	<b>42,99,300</b> (39,87,714)
---	---------------------------------

**(B) Defined Benefits Plans:****(i) Changes in the Present Value of Obligation for the year ended March 31, 2016**

	Gratuity	Leave Encashment	Total
(a) Present Value of Obligation as at 1 <sup>st</sup> April, 2015	1,81,99,328 (1,61,47,081)	66,54,308 (53,08,237)	2,48,53,636 (2,14,55,318)
(b) Interest Cost	14,10,448 (14,93,605)	5,15,709 (4,91,012)	19,26,157 (19,84,617)
(c) Past Service Cost	-- (--)	-- (--)	-- (--)
(d) Current Service Cost	14,18,633 (12,18,965)	6,27,421 (6,84,434)	20,46,054 (19,03,399)
(e) Benefits Paid during the year ending 31-03-2016	14,13,096 (21,11,437)	8,93,870 (7,41,070)	23,06,966 (28,52,507)
(f) Actuarial (Gain)/Loss	(3,71,962) (14,51,114)	2,71,186 (9,11,695)	(1,00,776) (23,62,809)
(g) Present Value of Obligation as at 31-03-2016	1,92,43,351 (1,81,99,328)	71,74,754 (66,54,308)	2,64,18,105 (2,48,53,636)

Contd.....8.

**(ii) Changes in the Fair value of Plan Assets: For the year ended March 31, 2016 (₹)**

	Gratuity	Leave Encashment	Total
(a) Fair Value of Plan Assets as at April 1, 2015	1,53,39,393 (1,38,66,021)	-- (--)	1,53,39,393 (1,38,66,021)
(b) Expected Return on Plan Assets for the year ending 31-03-2016	13,73,390 (13,17,199)	-- (--)	13,73,390 (13,17,199)
(c) Actuarial (Gain)/Loss	-- (--)	-- (--)	-- (--)
(d) Employers' Contributions	28,32,856 (22,67,610)	-- (--)	28,32,856 (22,67,610)
(e) Employees' Contributions	-- (--)	-- (--)	-- (--)
(f) Benefits Paid during the year ending 31-03-2016	14,13,096 (21,11,437)	-- (--)	14,13,096 (21,11,437)
(g) Fair Value of Plan Assets as at March 31, 2016	1,81,32,543 (1,53,39,393)	-- (--)	1,81,32,543 (1,53,39,393)

**(iii) Amount recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets:-****For the year ended March 31, 2016 (₹)**

	Gratuity	Leave Encashment	Total
(a) Present Value of Defined benefit Obligation as at March 31, 2016	1,92,43,351 (1,81,99,328)	71,74,754 (--)	2,64,18,105 (1,81,99,328)
(b) Fair Value of Plan Assets as at March 31, 2016	1,81,32,543 (1,53,39,393)	-- (--)	1,81,32,543 (1,53,39,393)
(c) Present Value of Unfunded Obligation as at March 31, 2016	-- (-)	-- (66,54,308)	-- (66,54,308)
(d) Net Liability recognized in the Balance Sheet as at 31-03-2016	11,10,808 (28,59,935)	71,74,754 (66,54,308)	82,85,562 (95,14,243)

**(iv) Expenses recognized in the Statement of Profit and Loss****For the year ended March 31, 2016 (₹)**

	Gratuity	Leave Encashment	Total
(a) Current Service Cost	14,18,633 (12,18,965)	6,27,421 (6,84,434)	20,46,054 (19,03,399)
(b) Past Service Cost	-- (--)	-- (--)	-- (--)
(c) Interest Cost on obligation	14,10,448 (14,93,605)	5,15,709 (4,91,012)	19,26,157 (19,84,617)
(d) Expected Return on Plan Assets	13,73,390 (13,17,199)	-- (--)	13,73,390 (13,17,199)
(e) Net actuarial (Gain)/Loss recognized in the year ended 31-03-2016	(3,71,962) (14,51,114)	2,71,186 (9,11,695)	(1,00,776) (23,62,809)
(f) Employees' Contribution	-- (--)	-- (--)	-- (--)
(g) Total Expenses recognized in the Statement of Profit and Loss	10,83,729 (28,46,485)	14,14,316 (20,87,141)	24,98,045 (49,33,626)

Contd.....9.

(v) **Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2016**

	Percentage
Insurer Managed Funds	100% (100%)

(vi) **The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.**

(vii) The Actual Return on Plan Assets is as follows

Particulars	(%)
Actual return on plan assets	8.35% (9%)

(viii) Following are the Principal Actuarial Assumptions used as at the balance sheet date:

Sr. No.	Particulars	Gratuity	Leave Encashment
(a)	Rate of Interest	8% (7.75%)	8% (7.75%)
(b)	Salary Growth	7% (7%)	7% (7%)
(c)	Withdrawal Rate	1% (1%)	1% (1%)
(d)	Mortality Rates	Indian Assured Lives (2006-08) Ultimate Mortality Rates	Indian Assured Lives (2006-08) Ultimate Mortality Rates

1.10 The Company has undertaken real estate development in earlier year on a leasehold land acquired in 1971. The Company converted the leasehold land rights into stock-in-trade in April 2010 at fair market value based on valuation report/ready reckoner rates. After conversion, the company obtained various permissions for development and incurred further total cost of Rs.121,79,39,769/- upto 31.03.2016 (P.Y. Rs.101,31,49,756/-). The income from real estate development has been calculated based on the guidance note issued by the Institute of Chartered Accountants of India on real estate transactions and the provisions of the Income Tax Act, 1961.



- 1.11 The company has not received details from its suppliers as to whether any of them are micro small and medium enterprises and hence any overdue amount payable to such enterprises cannot be compiled. However, the company is paying to its suppliers as per agreed terms.
- 1.12 The Company has contributed Rs.17,90,000/-(Seventeen Lacs Ninety Thousand) towards CSR activities to a trust during the year as per required section 135 of the Companies Act, 2013.
- 1.13 a) Imports of goods on CIF basis : Rs.35,77,295 (P.Y.Rs.62,21,584/-)
- b) Expenses in Foreign Currency : Travelling Rs.16,62,327/- (P.Y.Rs.11,30,885/-)  
: Sales Promotion Rs.20,26,382/- (P.Y. Rs.10,25,489/-)
- 1.14 Earning in foreign Currency : FOB value of Exports Rs.6,19,79,960/- (P.Y. - Rs.3,50,08,177/-)
- 1.15 Previous year figures are regrouped, rearranged and reclassified, wherever necessary, to conform to current year's presentation.
- 1.16 Figures within brackets are for previous year.
- 1.17 Figures have been rounded off to the nearest rupee.

**REMI ELEKTROTECHNIK LIMITED**  
**Notes on Financial Statements**

	<b>31-03-2016</b>	<b>31-03-2015</b>
	(₹)	(₹)
<b>NOTE - 2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED:</b>		
55,00,000 (55,00,000) Equity Shares Of Rs. 10/- Each	55,000,000	55,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP :</b>		
48,65,000 (48,65,000) Equity Shares of Rs. 10/- each	48,650,000	48,650,000
<b>TOTAL</b>	<b>48,650,000</b>	<b>48,650,000</b>

(a) **Terms/ Rights Attached to Equity Shares:**

The company has only one class of equity shares having par value of Rs. 10/- Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) **Details of Shareholders Holding more than 5% Shares of the Company:**

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>No. of shares as on 31-03-2016</b>	<b>No. of shares as on 31-03-2015</b>
	Remi Securities Limited	-	389,124
	Fulidevi Saraf Family Trust	962,988	462,988
	Rishabh R. Saraf	500,110	500,110
	Vishwambharlal Chiranjilal H.U.F.	1,050,000	550,000
	Bajrang Finance Limited	-	1,144,640
	Hanuman Forging & Engineering Pvt.Ltd.	960,900	960,900
	Rajendra Chiranjilal Saraf H.U.F.	500,400	-

(c) There is no change in share capital during the year

<b>Particulars</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
	(₹)	(₹)
<b>NOTE - 3</b>		
<b>RESERVES AND SURPLUS</b>		
(a) Revaluation Reserve - As per Last Balance Sheet	386,997,996	386,997,996
	386,997,996	386,997,996
(b) Securities Premium Account - As per Last Balance Sheet	8,000,000	8,000,000
(c) <b>General Reserve:</b>		
Opening Balance	80,097,451	75,097,451
Add: Transferred from surplus balance in statement of profit & loss	5,000,000	5,000,000
<b>Closing Balance</b>	<b>85,097,451</b>	<b>80,097,451</b>
(d) <b>Surplus:</b>		
Opening Balance	245,840,368	180,196,668
Add: Profit for the period	42,411,640	79,071,785
Less: <b>Appropriations:</b>		
Transferred to General reserve	5,000,000	5,000,000
Depreciation on transition to schedule II to the Companies Act,2013 on tangible Fixed assets with nil useful life	(8,836)	2,590,571
Interim Dividend paid	24,325,000	4,865,000
Distribution Tax on interim dividend	4,952,362	972,514
<b>Net surplus in the statement of profit &amp; loss</b>	<b>253,983,482</b>	<b>245,840,368</b>
<b>Total reserves and surplus</b>	<b>734,078,929</b>	<b>720,935,815</b>

**REMI ELEKTROTECHNIK LIMITED**  
**Notes on Financial Statements**

Particulars	31-03-2016	31-03-2015
	(₹)	(₹)
<b>NOTE - 4</b>		
<b>LONG TERM BORROWING</b>		
(a) <b>Secured Loans :</b>		
<b>Vehicle Loans :</b>		
<b>From HDFC Bank Limited</b> (Secured against hypothecation of the Vehicle purchased from such loans & repayable in EMI of Rs.95,890/- each(including interest).	2,296,978	3,156,694
<b>From BMW Financial service India</b> (Secured against hypothecation of the Vehicle purchased from such loans & repayable in EMI of Rs.92,736/- each(including interest).	-	363,404
	<b>2,296,978</b>	<b>3,520,098</b>
(b) <b>Unsecured Loans</b>		
Intercorporate Deposit from Others	153,749,675	139,283,348
Intercorporate Deposit from Related Parties	54,358,783	7,177,118
Deferred Sales Tax Liabilities	1,168,217	1,768,217
	<b>209,276,675</b>	<b>148,228,683</b>
	<b>211,573,653</b>	<b>151,748,781</b>
<b>NOTE - 5</b>		
<b>OTHER - LONG TERM LIABILITIES</b>		
Long Term Deposits	22,138,551	23,849,821
	<b>22,138,551</b>	<b>23,849,821</b>
<b>NOTE - 6</b>		
<b>LONG TERM PROVISIONS</b>		
For Employee Benefit		
Provision for Leave Encashment	5,859,958	5,489,513
	<b>5,859,958</b>	<b>5,489,513</b>
<b>NOTE - 7</b>		
<b>SHORT TERM BORROWING</b>		
(a) <b>Secured Loans</b>		
From State Bank of India:		
Cash Credit Facility Repayable on Demand	87,236,740	9,016,180
From State Bank of India (Demand Loan) (Secured by equitable mortgagage of the Co.'s immovable property situated at Vasai, hypothecation of Stocks of Raw materials, Stock in Process, Finished Goods, Stores and Spares and Book Debts and all other Current Assets, and further guranteed by two of the Directors)	-	100,273,700
(b) <b>Unsecured Loans</b>		
Intercorporate Deposit from Others	53,852,896	12,326,219
	<b>141,089,636</b>	<b>121,616,099</b>
<b>NOTE - 8</b>		
<b>TRADE PAYABLES</b>	89,168,417	96,002,926
	<b>89,168,417</b>	<b>96,002,926</b>
<b>NOTE - 9</b>		
<b>OTHER CURRENT LIABILITIES</b>		
- Advance from Customers	12,003,356	7,969,603
- Excise Duty Payable on BSR Stock	5,226,719	5,031,219
- Other Liabilities	80,601,062	82,107,317
- Current Maturity of Long Term Loans	1,823,119	2,726,365
	<b>99,654,256</b>	<b>97,834,504</b>
<b>NOTE - 10</b>		
<b>SHORT TERM PROVISIONS</b>		
(a) <b>For Employee Benefit:</b>		
Provision For Gratuity	1,110,808	2,859,935
Provision For Leave Encashment	1,314,796	1,164,795
(b) <b>Other Provisions:</b>		
Provision for Taxation (net of taxes paid)	-	5,754,973
	<b>2,425,604</b>	<b>9,779,703</b>

REMI ELEKTROTECHNIK LIMITED

FIXED ASSETS

NOTE- 11

Sr. No.	Description of Assets		GROSS CARRYING AMOUNT				DEPRECIATION					NET CARRYING AMOUNT	
			As on 01.04.2015	Additions during the year	Deletions during the year	As on 31.03.2016	Up to 31.03.2015	ADJUSTMENT	For the Year	Deduction	Up to 31.03.2016	As on 31.03.2016	As on 31.03.2015
<b>(a)</b>	<b>TANGIBLE ASSETS:</b>												
1	land	30 Yrs.	24,430,832	-	-	24,430,832	-	-	-	-	-	24,430,832	24,430,832
2	lease hold land	30 Yrs.	2,406,330	-	-	2,406,330	220,447	-	156,134	-	376,581	2,029,749	2,185,883
3	Staff Quarter	30 Yrs.	20,000	-	-	20,000	12,116		382	-	12,498	7,502	7,884
4	Factory Building	30 Yrs.	76,124,496	-	-	76,124,496	19,690,210		2,390,931	-	22,081,141	54,043,355	56,434,286
5	Plant & Machinery	15 Yrs.	82,086,543	565,911	-	82,652,454	41,190,529	(8,836)	4,067,118	-	45,248,811	37,403,643	40,896,014
6	Dies & Moulds	15 Yrs.	24,313,240	1,372,469	-	25,685,709	14,873,004		742,585	-	15,615,589	10,070,120	9,440,236
7	Elect. Installation	10 Yrs.	11,551,261	-	-	11,551,261	6,282,760		2,321,424	-	8,604,184	2,947,077	5,268,501
8	Furniture & Fixtures	10 Yrs.	8,694,700	-	-	8,694,700	5,517,141	-	1,027,580	-	6,544,721	2,149,979	3,177,559
9	Testing Equipments	10 Yrs.	577,938	-	-	577,938	270,499		65,749	-	336,248	241,690	307,439
10	Office Equipments	05 Yrs.	3,314,131	515,202	-	3,829,333	2,266,633	-	330,471	-	2,597,104	1,232,229	1,047,498
11	Air Conditioner	05 Yrs.	2,614,582	30,214	-	2,644,796	1,467,591	-	330,779	-	1,845,002	799,794	1,146,991
12	Fire Extinguishers	05 Yrs.	133,552	-	-	133,552	114,376		2,083	-	116,459	17,093	19,176
13	Borewell	05 Yrs.	109,630	-	-	109,630	93,249		5,450	-	98,699	10,931	16,381
14	Computers	03 Yrs.	5,210,702	153,032	-	5,363,734	4,398,105	-	380,565	-	4,778,670	585,064	812,597
15	Motor Car	08 Yrs.	12,994,846	-	-	12,994,846	3,109,467		2,215,695	-	5,325,162	7,669,684	9,885,379
16	Wind Mill Electric Generator	22 Yrs.	70,067,543	-	-	70,067,543	6,643,441	-	4,793,658	-	11,437,099	58,630,444	63,424,102
	<b>Total (a)</b>		<b>324,650,326</b>	<b>2,636,828</b>	<b>-</b>	<b>327,287,154</b>	<b>106,149,568</b>	<b>(8,836)</b>	<b>18,830,604</b>	<b>-</b>	<b>125,017,968</b>	<b>202,269,186</b>	<b>218,500,758</b>
<b>(b)</b>	<b>INTANGIBLE ASSETS:</b>												
1	Goodwill	05 Yrs.	4,200,000	-	-	4,200,000	4,200,000		-	-	4,200,000	-	-
2	Computer Software	03 Yrs.	4,509,431	1,795,850	-	6,305,281	3,716,693		593,346	-	4,310,039	1,995,242	792,738
	<b>Total (b)</b>		<b>8,709,431</b>	<b>1,795,850</b>	<b>-</b>	<b>10,505,281</b>	<b>7,916,693</b>	<b>-</b>	<b>593,346</b>	<b>-</b>	<b>8,510,039</b>	<b>1,995,242</b>	<b>792,738</b>
	<b>Total (a + b)</b>		<b>333,359,757</b>	<b>4,432,678</b>	<b>-</b>	<b>337,792,435</b>	<b>114,066,261</b>	<b>(8,836)</b>	<b>19,423,950</b>	<b>-</b>	<b>133,528,007</b>	<b>204,264,428</b>	<b>219,293,496</b>
	<b>Previous Year</b>		<b>324,776,790</b>	<b>10,318,825</b>	<b>1,735,858</b>	<b>333,359,757</b>	<b>93,400,810</b>	<b>3,834,758</b>	<b>18,411,356</b>	<b>1,534,031</b>	<b>114,112,893</b>	<b>219,246,864</b>	<b>231,375,980</b>

**REMI ELEKTROTECHNIK LIMITED**  
**Notes on Financial Statements**

Particulars	31-03-2016	31-03-2015
	(₹)	(₹)
<b>NOTE - 12</b>		
<b>NON -CURRENT INVESTMENTS</b>		
(a) <b>Non Trade &amp; Quoted</b>		
i) <b>Investment in Equity Shares of Related Parties:</b>		
40000 Equity shares of Rs.10/- each fully paid up of Remi Edelsthl Tubulers Ltd.	295,000	295,000
400 Equity shares of Rs.10/- each fully paid up of Bajrang Finance Ltd.	2,950	2,950
ii) <b>Investment in Equity Shares of Others:</b>		
900 Equity shares of Rs.10/- each fully paid up of Dena Bank	27,000	27,000
(b) <b>Non Trade &amp; Unquoted</b>		
2450 Equity shares of Rs.10/- each fully paid up of Rajendra Finance Pvt. Ltd.	41,650	41,650
2700 Equity shares of Rs.10/- each fully paid up of Remi Finance & Investment Pvt.	39,150	39,150
7425 Equity shares of Rs.100/- each fully paid up of Remi Fans Ltd.	13,500	13,500
	<b>419,250</b>	<b>419,250</b>
i) Aggregate Cost of Quoted Investments	324,950	324,950
ii) Market value of Quoted Investments	987,186	1,066,727
iii) Aggregate Cost of Unquoted Investments	94,300	94,300
<b>NOTE - 13</b>		
<b>LONG -TERM LOANS AND ADVANCES</b>		
(Unsecured & Considered good)		
Security Deposits	7,093,855	5,216,727
Earnest Money Deposits	323,600	476,500
Capital Advances	-	125,000
	<b>7,417,455</b>	<b>5,818,227</b>
<b>NOTE - 14</b>		
<b>INVENTORIES</b>		
<b>(As taken, Valued &amp; certified by Management)</b>		
(a) Raw Materials & Stores	37,875,039	39,904,973
(b) Work-In -Process	47,128,283	49,574,314
(c) Finished goods	46,168,615	42,111,613
(d) Work-in-Process - Real estate development	661,563,942	649,870,994
	<b>792,735,879</b>	<b>781,461,894</b>
<b>NOTE - 15</b>		
<b>TRADE RECEIVABLES</b>		
(Unsecured & Considered good)		
Outstanding for more than 6 months	8,688,491	3,164,826
Others	284,902,844	222,482,423
	<b>293,591,335</b>	<b>225,647,249</b>
<b>NOTE - 16</b>		
<b>CASH AND BANK BALANCES:</b>		
<b>CASH AND CASH EQUIVALENTS:</b>		
(a) <b>Balance with Banks:</b>		
On current account	114,251	5,972,809
(b) Cash on Hand	261,584	191,385
	375,835	6,164,194
<b>OTHER BANK BALANCES:</b>		
(a) Fixed Deposits with maturity of more than 12 months (Pledged with bank as margin against B/Gs)	527,246	302,722
(b) Fixed Deposits with maturity of more than 12 months (Pledged with customers as Earnest Money Deposit)	909,341	648,421
	1,436,587	951,143
	<b>1,812,422</b>	<b>7,115,337</b>
<b>NOTE - 17</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured & Considered good)		
Advance recoverable in cash or in kind for value to be received	2,595,972	1,104,431
Advance to Suppliers/Contractors (including Rs.44,35,428/- against B/G (P.Y.Rs.3,93,84,000/-))	55,886,285	44,215,813
Balances in Central Excise	525,059	614,788
Central Excise Duty, Service Tax & Income Tax Refundable	6,220,830	4,015,960
Prepaid Expenses	2,270,122	2,519,851
Advance to Staff	584,453	527,417
Sales Tax Refundable	297,459	115,908
Income Tax & TDS (net of Provision)	2,675,905	-
	<b>71,056,085</b>	<b>53,114,168</b>
<b>NOTE - 18</b>		
<b>OTHER CURRENT ASSETS</b>		
Interest Accrued but not Due	139,085	129,622
	<b>139,085</b>	<b>129,622</b>

**REMI ELEKTROTECHNIK LIMITED**  
**Notes on Financial Statements**

PARTICULARS	Figures at the end of Current Reporting Period ended on 31.03.2016	Figures at the end of Current Reporting Period ended on 31.03.2015
	(₹)	(₹)
<b>NOTE - 19</b>		
<b>Revenue from Operations:</b>		
(a) Sale of Products:		
Local Sales	800,741,187	728,786,499
Export Sales	64,250,375	36,257,248
Property Sales	206,344,886	436,485,409
Wind Power Sales	13,571,489	13,018,465
	<b>1,084,907,937</b>	<b>1,214,547,621</b>
(b) Other Operating Revenues:		
Sale of scrap	1,549,445	3,363,979
Duty Drawback	970,683	536,368
Labour Charges	36,200	168,050
Sale of Raw Material	-	979,020
Additional Duty Refund	13,745	24,541
	<b>2,570,073</b>	<b>5,071,958</b>
	<b>1,087,478,010</b>	<b>1,219,619,579</b>
<b>Products Sold</b>		
Lab Equipments	578,494,414	462,638,802
Electric Motors	203,029,341	229,122,644
Others	83,467,807	73,282,301
Property Sales	206,344,886	436,485,409
Wind Power Sales	13,571,489	13,018,465
	<b>1,084,907,937</b>	<b>1,214,547,621</b>
<b>NOTE - 20</b>		
<b>Other Income</b>		
(a) Foreign Exchange Gain	-	81,975
(b) Rent Received	386,592	326,592
(c) Dividend Income on Long Term Investments	810	990
(d) Profit on Sale of Fixed Assets	-	188,173
(e) Capital Gain on Sale of Investments	-	683,420
(f) Other non operating Income	955,174	1,509,557
	<b>1,342,576</b>	<b>2,790,707</b>
<b>NOTE - 21</b>		
(a) <b>Cost of materials Consumed:</b>		
Inventory at the beginning of the year	39,792,666	40,961,535
Add: Purchases	506,077,594	484,201,536
	<b>545,870,260</b>	<b>525,163,071</b>
Less: Excise Cenvat & VAT set off	66,146,580	61,386,880
Less: Inventory at the end of the year	37,767,250	39,792,666
Cost of materials consumed	<b>441,956,430</b>	<b>423,983,525</b>
<b>Consumption of Materials - Itemwise details:-</b>		
Silicon Sheet	13,483,283	21,144,584
Copper Wire	24,571,702	31,243,778
Castings	24,843,348	30,156,358
M.S.Goods	113,867,240	111,832,487
Ball Bearings	12,585,740	13,662,307
Electric Goods	170,850,141	144,477,809
Others	147,901,556	132,853,080
	<b>508,103,010</b>	<b>485,370,405</b>
Less: Excise Cenvat & VAT set off	66,146,580	61,386,880
<b>Total</b>	<b>441,956,430</b>	<b>423,983,525</b>
<b>NOTE-22</b>		
<b>Purchases and Expenditure of Real Estate</b>		
Steel Goods	-	21,432,814
Cement & R.M.C. Concret etc.	7,370,599	33,234,232
Electrical Goods	12,621,098	-
Purchase of TDR & Premium of Fungible FSI	-	117,417,508
Purchase of other Building Materials	32,728,048	56,053,839
Job work charges	94,985,763	81,894,778
Property Tax	6,081,635	16,172,016
Development Charges & other charges paid to MCGM	1,757,677	38,239,229
Other Expenditure	23,239,320	48,211,815
	<b>178,784,140</b>	<b>412,656,231</b>
<b>NOTE - 23</b>		
<b>Purchase of Traded Goods</b>		
Laboratory Equipments	11,574,802	12,674,879
Steel Goods	-	951,194
	<b>11,574,802</b>	<b>13,626,073</b>

**REMI ELEKTROTECHNIK LIMITED**  
**Notes on Financial Statements**

PARTICULARS	For the Year Ended 31.03.2016	For the Year Ended 31.03.2015
	(₹)	(₹)
<b>NOTE - 24</b>		
<b>(a) <u>(Increase)/Decrease in Inventories</u></b>		
<b><u>Inventories at the end of the Year</u></b>		
Finished goods	46,168,615	42,111,613
Work-in-process	47,128,283	49,574,314
Work-in-process Real estate	661,563,942	649,870,994
	<b>754,860,840</b>	<b>741,556,921</b>
<b>(b) <u>Inventories at the beginning of the year</u></b>		
Finished goods	42,111,613	40,737,233
Work-in-process	49,574,314	32,916,157
Work-in-process Real estate	649,870,994	556,641,017
	<b>741,556,921</b>	<b>630,294,407</b>
Change in Inventories for Finished Goods & WIP	<b>(13,303,919)</b>	<b>(111,262,514)</b>
<b>NOTE - 25</b>		
<b><u>Employee Benefit Expenses:</u></b>		
Salaries, wages and bonus etc.	75,799,242	68,914,215
Contribution to provident & Gratuity funds	6,650,160	9,327,988
Staff welfare expenses	1,538,957	1,089,552
	<b>83,988,359</b>	<b>79,331,755</b>
<b>NOTE - 26</b>		
<b><u>Other Expenses:</u></b>		
Power and fuel	9,959,901	10,975,539
<b><u>Repairs and maintenance:</u></b>		
Building	536,653	454,587
Plant & Machinery	5,426,138	5,426,153
Others	2,671,323	2,945,286
Job Work Charges	90,075,244	71,796,903
Excise duty on increase/(decrease) in Finished Goods	195,500	514,264
Other Manufacturing Expenses	9,849,414	9,733,779
Rent	2,116,904	2,111,547
Insurance	526,246	430,500
Government fees duty etc.	321,370	273,545
Commission on Sales	11,787,144	9,301,164
Royalty Charges	1,478,514	1,272,826
Directors' Commission	611,615	1,144,436
Directors' sitting fees	90,500	90,500
Legal & Professional Fees	3,066,053	2,679,019
Bad Debts Written off	592,546	77,980
Advertisement & Sales Promotion	5,856,001	4,746,803
Foreign Exchange Loss	205,730	-
<b><u>Payment to Auditors</u></b>		
<b>(a) <u>As auditors:</u></b>		
Audit fee	350,000	250,000
<b>(b) <u>In other capacity:</u></b>		
Certification fees	33,029	84,500
Freight and Forwarding Charges	16,584,382	15,587,476
CSR Contribution	1,790,000	1,245,200
Donations	21,000	-
Service Tax, Profession Tax & Sales Tax	644,064	758,030
Miscellaneous Expenses	17,831,189	18,285,424
	<b>182,620,460</b>	<b>160,185,461</b>
<b>NOTE - 27</b>		
<b><u>Finance Costs</u></b>		
Interest expenses	33,379,195	43,244,747
Other borrowing costs	482,895	656,065
	<b>33,862,090</b>	<b>43,900,812</b>
Less: Interest Received	671,928	6,991,565
	<b>33,190,162</b>	<b>36,909,247</b>

Signature to notes 1 to 27

AS PER OUR REPORT OF EVEN DATE  
FOR SUNDARLAL, DESAI & KANODIA,  
CHARTERED ACCOUNTANTS  
(Firm Registration Number-110560W)

FOR AND ON BEHALF OF BOARD

Sd/-

(M.B. DESAI)  
PARTNER  
Membership Number - 33978

Sd/-

V.C. SARAF  
CHAIRMAN & MANAGING DIRECTOR  
DIN:00161381

SUNIL SARAF  
WHOLE TIME DIRECTOR  
DIN:00157244

RITVIK V. SARAF  
WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER  
DIN:01638851

PLACE : MUMBAI  
DATED : 30TH MAY, 2016





## REMI ELEKTROTECHNIK LIMITED

Regd. Office: Remi House, Plot No.11, Cama Industrial Estate, Goregaon(E), Mumbai- 400 063  
CIN: L51900MH1988PLC047157, Web.: www.remigroup.com, Email: rei\_igrd@remigroup.com,  
Ph.: 022-40589888, Fax: 022 -26852335

Name & Address of the Registered Shareholder:

DPID/Client ID/ Folio No :

No. of Shares Held :

### Sub: Process and Manner for Availing Remote E-Voting Facility

Pursuant to provision of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically as an alternative to participation at the Annual General Meeting to be held on **Friday, the 30<sup>th</sup> September, 2016, at 12.30 P.M.** The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facilities. The e-voting facility is available at the link **<https://www.evoting.nsdl.com>**.

The electronic voting particulars are set out below:

<b>EVEN (E-voting Event Number)</b>	<b>User ID</b>	<b>Password/ PIN</b>
<b>104910</b>		

The Remote e-voting facility will be available during the following Remote E-voting period;

<b>Commencement of e-voting</b>	<b>End of e-voting</b>
From 9.00 a.m. of <b>26<sup>th</sup> September, 2016</b>	Upto 5 p.m. of <b>29<sup>th</sup> September, 2016</b>

Please read the instructions printed overleaf before exercising the votes.

These details and instructions form integral part of the Notice for the Annual General Meeting to be held on **Friday, the 30<sup>th</sup> September, 2016**.

## **INSTRUCTIONS FOR REMOTE E-VOTING**

Members are requested to follow the instructions below to cast their vote through Remote e-voting:

- (a) User ID and Password for e-voting is provided in the table on the face of this annexure to the Notice of Annual General Meeting (AGM). Please note that the Password is an Initial Password.
- (b) Launch an internet browser by typing in the URL **<https://www.evoting.nsdl.com>**
- (c) Click on "Shareholder - Login."
- (d) put 'User ID' and Password' as initial password/PIN as noted in step (a) above and click 'Login'
- (e) If you are logging in for the first time, Password Change Menu appears. Change the Password of your choice with minimum 8 digits/ characters or a combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
- (f) Home page of "Remote e-voting" opens. Click on "Remote e-voting": Active Voting Cycles.
- (g) Select "EVEN (E-Voting Event Number)" of **REMI ELEKTROTECHNIK LIMITED**.
- (h) Now you are ready for "e-voting" as "Cast Vote" Page opens.
- (i) Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Upon confirmation, the message 'Vote cast successfully' will be displayed. Kindly note that vote once cast cannot be modified.
- (j) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at **relscrutinizer@gmail.com** with a copy marked to **evoting@nsdl.co.in**.
- (k) Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently.
- (l) In case of any queries you may refer the frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the "downloads" section of **<https://www.evoting.nsdl.com>** or contact NSDL by email at **evoting@nsdl.co.in** or toll free no. 1800-222-990.

### **Registered & Corporate Office:**

REMI HOUSE  
Plot No.11, Cama Industrial Estate,  
Goregaon (E) Mumbai – 400 063  
Ph. No.022-4058 9888  
Fax No.022-2685 2335  
Email: [rel\\_igrd@remigroup.com](mailto:rel_igrd@remigroup.com)

### **Registrar and Share Transfer Agent:**

Bigshare Services Private Limited  
Unit: **REMI ELEKTROTECHNIK LIMITED**  
E-2&3, Ansa Industrial Estate,  
Saki Vihar Road, Andheri (E)  
Mumbai – 400 072  
Ph. No.:022-2847 0652/ 4043 0200  
Fax No.:022-2847 5207  
Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

# REMI ELEKTROTECHNIK LIMITED

Regd. Office: Remi House, Plot No.11, Cama Industrial Estate, Goregaon(E), Mumbai- 400 063  
CIN: L51900MH1988PLC047157, Web.: www.remigroup.com, Email: rei\_igrd@remigroup.com,  
Ph.: 022-40589888, Fax: 022 -26852335

## ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting Hall)

DPID No.		Name & Address of the Registered Shareholder
Client ID No./Folio No.		
No. of Shares Held		

(To be filled in if the Proxy attends instead of the Member/s)

I hereby record my presence at the **36<sup>th</sup> ANNUAL GENERAL MEETING** to be held at the Company's Registered Office on **Friday, the 30<sup>th</sup> September, 2016, at 12.30 P.M.**

Note: Please complete this and signed at the time of handing over this slip.

Member's/ Proxy's Signature

## Form No. MGT-11

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) :			
Registered address :			
E-mail Id :			
Folio No/ Client Id :		DP ID	

I/We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1.	Name :			
	Address :			
	E-mail Id :		Signature:	
2.	Name :			
	Address :			
	E-mail Id :		Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **36<sup>th</sup> Annual General Meeting** of the Company, to be held on **Friday, the 30<sup>th</sup> September, 2016, at 12.30 P.M.** at the Company's Registered Office, **Remi House, Plot No.11, Cama Industrial Estate, Goregaon(E), Mumbai - 400 063** and at any adjournment thereof in respect of such resolutions as are indicated below:

### Resolutions

No.	Description
1.	To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2016, together with the reports of the Board of Directors and the Auditors thereon.
2.	To confirm payment of interim dividend paid on equity shares for the financial year 2015-16 as final dividend for the year 2015-16.
3.	To re-appoint as Director Shri Rajendra C. Saraf, who retires by rotation.
4.	To ratify the appointment of Auditors and to fix their remuneration.
5.	To ratify the remuneration of Cost Auditors.
6.	To revise the remuneration of Shri Sunil Saraf, Whole-Time Director of the Company.
7.	To reappoint Shri Sunil Saraf as Whole-Time Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

Signature of  
shareholder :

Signature of Proxy  
holder(s) :

Affix Re.1/-  
Revenue  
Stamp &  
(sign across)

**Note:** This form of proxy in order to be effective, should be duly completed, signed, stamped and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.