



REMI GROUP

REMI PROCESS PLANT AND MACHINERY LTD.



**46TH ANNUAL REPORT
2019 – 20**

Board of Directors:	Mr. Vishwambhar C. Saraf Mr. Rajendra C. Saraf Mr. Rishabh R. Saraf Mr. Ramkrishna R. Shriya Mr. Detlef Ernst Hans Klatt Mrs. Anita Bhartiya	Chairman Director Executive Director Independent Director Independent Director Independent Director
Chief Financial Officer:	Mr. Bhagirath Singh	
Company Secretary:	Mr. Amit Kumar Barange	
Manager:	Mr. Jeevan Kunder	
Bankers:	STATE BANK OF INDIA	
Auditors:	M/s. Sundarlal, Desai & Kanodia Chartered Accountants, 903, Arcadia, 195, N.C.P.A. Road, Mumbai- 400 021	
Registered Office:	REMI House, Plot No.11, Cama Industrial Estate, Goregaon (East), Mumbai – 400 063 Ph.: 022-40589888, Fax: 022- 26852335	
CIN:	L28920MH1974PLC017683	
Factory:	Survey No.18 1/2 & 27/2, Village - Shelavali, Manor Road, Taluka Palghar, Thane – 401 404	
Wind Power:	Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra	

NOTICE

To
The Members,
REMI PROCESS PLANT AND MACHINERY LIMITED

NOTICE is hereby given that the 46th Annual General Meeting of the Company will be held on **Wednesday, the 30th September, 2020, at 2.00 P.M.** (IST) via two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM') to transact the following business:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and the Auditors thereon;
2. To re-appoint Mr. Vishwambhar C. Saraf (DIN:00161381) as Director, who retires by rotation.

By order of the Board
For REMI PROCESS PLANT AND MACHINERY LTD.

Registered Office:

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

Dated: 24th August, 2020.

Sd/-

VISHWAMBHAR C. SARAF
CHAIRMAN
(DIN: 00161381)

NOTES:

- 1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
- 2) As this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 3) The Register of Members and the Share Transfer Books of the Company will remain closed from **Wednesday, the 23rd September, 2020 to Wednesday, the 30th September, 2020**, both days inclusive.
- 4) The attendance of the members attending the AGM through VC/OVAM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
- 5) All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode basis the request being sent on till the date of AGM.
- 6) 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.

7) **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 rppm_igrd@remigroup.com or by submitting a duly filled in "E-mail Registration Form" available on the website of the Company, or to M/s. Bigshare Services Private Limited or with the concerned depositories.

YOUR INITIATIVE WILL SAVE FOREST WEALTH OF OUR COUNTRY.

- 8) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies(Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations, the Company has provided a facility to the Members to exercise their votes electronically through the electronic means. The facility of casting the votes using an electronic voting system ("remote e-voting") will be provided by National Securities Depository Limited (NSDL). In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting. The instructions for remote e-voting and e-voting at AGM are annexed to the Notice.
- 9) As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents.(RTA)
- 10) Shri Kamlesh Rajoria, Practicing Company Secretary, Kamlesh Rajoria & Associates, has been appointed as the Scrutiniser to scrutinize the remote e-voting including e-voting during the AGM process in a fair and transparent manner. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The scrutiniser shall first count the votes casted electronically at the meeting and there after unblock the votes cast through remote e-voting and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinisers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- 11) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained depositories as on the cut-off date i.e., **Wednesday, September 23, 2020** only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM. The remote e-voting period commences from **Friday, September 25, 2020 (9.00 a.m. IST) and ends on Tuesday, September 29, 2020 (5.00 p.m. IST)**The instruction for remote e-voting and Voting during AGM is detailed out in the Annexure to this AGM Notice. During this period, Members holding shares either in physical form or in dematerialised form, as **on Wednesday, 23rd September, 2020** i.e., cut-off date, may cast their vote electronically. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.
- 12) **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC**

1. Member will be able to attend the AGM through VC/OAVM of AGM provided by NSDL at <https://www.evoting.nsd.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into e-voting system of NSDL.
2. Facility of joining the AGM through VC/OAVM shall open 15minutes before the time scheduled for the AGM The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholder holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis
3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in/ + 91 22 24994360/ + 91 9920264780 or Mr. Sagar Ghosalkar, Assistant Manager – NSDL at sagar.ghosalkar@nsdl.co.in / 022-24994553 / + 91 9326781467

13) **The details procedure for remote e-voting is set out below:**

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
---	---

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. **Procedure for E- Voting on the day of the AGM:**
 - i) Only those members who will be present in the AGM through VC / OAVM facility and have not cast their Vote on the Resolutions by remote e-voting prior to the AGM shall be entitled to cast their vote through e-voting system at the AGM.
 - ii) The procedure for e-voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.

General Guidelines for shareholders

1. 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 etc. with attested specimen signature of the duly authorized signatory(ies) to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting and e-voting at AGM who are authorized to vote, to the Scrutinizer by e-mail to **rppmscrutinizer@gmail.com** with a copy marked to **evoting@nsdl.co.in**
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
4. **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice :**

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (Company email id).

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id).

5. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

Members are encouraged to join the Meeting through Laptops for better experience.

Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

- 14) Non-resident Indian shareholders are requested to inform immediately about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be:
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of the NRE Account with a Bank in India, if not furnished earlier.
- 15) 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 **23rd September, 2020**. Members are eligible to cast vote electronically only if they are holding shares either in physical form or demat form as on that date.
- 16) Any persons who have acquired shares after the dispatch of the Notice and holding shares as on cut-off date i.e. **23rd September, 2020** may obtain the user ID and Password by sending a request at 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** or contact NSDL at the following toll free no. 1800-222-990.
- 17) Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on **www.evoting.nsdl.com**. In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No.+Folio No.).
- 18) The results declared along with the report of the Scrutiniser shall be placed on the website of the Company at the **www.remigroup.com** and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorised by him in writing. The results shall also be forwarded to the BSE Limited where the shares of the Company are listed.
- 19) Since the AGM will be held through VC/OAVM, the Route map is not annexed in the Notice.

DIRECTORS' REPORT

To
The Members,
REMI PROCESS PLANT AND MACHINERY LIMITED

The Directors are pleased to present herewith the audited accounts of the Company for the year ended 31st March, 2020.

Financial Results	(Rs. in Lakhs)	
	2019 - 2020	2018 - 2019
Gross Turnover	<u>2582.94</u>	1790.93
Profit before Interest, Depreciation and Tax (EBIDTA)	451.43	396.50
Less: Finance Cost	116.94	109.57
Depreciation	57.38	58.81
Taxation	38.43	46.91
	<u>212.75</u>	215.29
Net Profit	<u>238.68</u>	181.21
Other comprehensive income	<u>(34.60)</u>	19.80
Net Profit (after other comprehensive income)	204.08	201.01
Balance brought forward	<u>1057.08</u>	906.07
Profit available for appropriations	<u>1261.16</u>	1107.08
<u>Appropriations</u>		
Transferred to General Revenue	50.00	50.00
Net surplus in the Statement of Profit & Loss	<u>1211.16</u>	1057.08
	1261.16	1107.08

OPERATIONS :

The Company achieved turnover of Rs.2582.94 Lakhs during the year as against Rs.1790.93 Lakhs of previous year. The Company has achieved EBIDTA and net profit of Rs.451.43 Lakhs and Rs.238.68 Lakhs during the year as against Rs.396.50 Lakhs and Rs.181.21 Lakhs respectively in the previous year. The working of the last quarter of March, 2020 was affected adversely due to Covid -19 pandemic .The Company has resumed plant operations gradually from third week of May, 2020 .The Company is hopeful that demand of its products will pick up in coming years on revival of the economy as the Government at Center is taking steps in that direction by more reforms including opening more sectors to FDI, raising FDI limit of various sectors ,stabilization of GST and preference to domestic manufacturers in Govt. and PSUS procurement. Moreover, the Hon'ble Prime Minister's policy of Aatmanirbhar Bharat will also benefit domestic manufacturers.

During the year, the Company transferred a sum of Rs.50.00 Lakhs to the General Reserves. There are no changes in the share capital during the year.

The Board of Directors expresses their inability to declare any dividend.

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

DIRECTORS:

BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT:

Mr. Vishwambhar C. Saraf (DIN:00161381) Director, who is retiring by rotation, is to be re-appointed. The brief resume of the Directors is given herebelow:

Mr. Vishwambhar C. Saraf (81) is a commerce graduate from the University of Bombay and after graduation he joined the family business. He has more than 55 years of business experience. The Performance of the Company is increasing due to the leadership and guidance given by him. He holds 200 equity shares in the Company. He was first appointed on the board of the director on 19/11/1983. He attended 7 (Seven) meetings of the Board of Directors during the year 2019-20. He is on the Board of Remi Edelstahl Tubulars Limited, Remi Elektrotechnik Limited, Magnificent Trading Private Limited, Technocraft Industries (India) Limited , Aura Realfinvest Private Limited and Remi Renewable Energy Private Limited. He is Chairman of Stakeholders Relationship Committee in Remi Edelstahl Tubulars Limited, Remi Process Plant And Machinery Limited and Technocraft Industries (India) Limited. He is Member of Audit Committee in Remi Edelstahl Tubulars Limited, Remi Elektrotechnik Limited and Technocraft Industries (India) Limited. He is Member Stakeholders Relationship Committee in Remi Elektrotechnik Limited. Mr. Vishwambhar C. Saraf and Mr. Rajendra C. Saraf are brothers and Mr. Rishabh Saraf is son of Mr. Rajendra C. Saraf Apart from this, there is no relationship between the Directors inter-se.

INDEPENDENT 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 SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The Board of Directors confirm that the independent directors of the Company fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and are independent of the management of the company.

BOARD MEETINGS:

During the year, 8 (Eight) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Act.

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 Executive Directors and other whole-time directors are paid remuneration by way of salary, 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 paid 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.

FINANCIAL STATEMENTS:

Audited Financial Statements are prepared in accordance with Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies act , 2013 read with the rules made thereof.

COST RECORDS:

The maintenance of cost records as specified by the Central Government under sub-section (I) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

AUDITORS:

M/s Sundarlal, Desai & Kandodia, Chartered Accountants (Firm Registration No.110560W), was appointed as the statutory auditors of the Company for a term of consecutive five years i.e. from the conclusion of the 43rd annual general meeting till the conclusion of the 48th Annual General Meeting by the shareholders of the Company. They have confirmed that they are not disqualified from continuing as auditors of the Company.

The statutory audit report for the financial year ended 31st March, 2020 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditors.

SECRETARIAL AUDITOR:

Shri Kamlesh Rajoria, Practicing Company Secretary, Kamlesh Rajoria & Associates, was appointed to conduct the secretarial audit of the Company for the financial year 2020-21, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for FY 2019-20 forms part of the Annual Report as “**Annexure - A**” 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:

Pursuant to provisions of The Companies Act, 2013, 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 is ongoing material related party transactions entered by the Company during the year and thus disclosure in Form AOC-2 is required.AOC-2 forms part of the Annual Report as “**Annexure - B**” to the Board's report . Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, there are no transactions with any person or promoter/ promoters group holding 10% or more shareholding.

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

Your Directors draw attention of the members to Note 34 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. The Company has also installed solar power system for captive consumption.
- iii. the capital investment on energy conservation equipments; : Nil

(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 products produced by the Company 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 : Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings	Rs.2.59 Lakhs
Outgo	Rs.18.30 Lakhs

AUDIT COMMITTEE:

The Audit Committee comprises of Mr. Ram Krishna Shriya, Mr. Rishabh R. Saraf and Mrs. Anita Bhartiya.

RISK MANAGEMENT:

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

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS, 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.

DEPOSITS:

The Company has not accepted any deposits from the public falling within the purview of Section 73 of the Companies Act, 2013, 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. 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 placed on the Company's website at www.remigroup.com.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule, 5(1) & 5(2) 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.

DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 :

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- (i) Number of complaint filed during the financial year - Nil
- (ii) Number of complaints disposed of during the financial year – N.A.
- (iii) Number of complaints pending as on end of the financial year –Nil

CORPORATE GOVERNANCE REPORT:

Kindly note that the pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company as paid up equity share capital the Company does not exceed Rupees Ten Crores and net worth does not exceed Rupees Twenty Five Crores as on the Financial year ended 31st March, 2020.

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 31st March 2020, 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 31st March 2020 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:

The Board extends its grateful thanks to the Investors, Central and various State Governments, its bankers and district level authorities for their continued support extended to the Company from time to time.

Registered Office:

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

Dated : 24th August , 2020

ON BEHALF OF THE BOARD

Sd/-

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

MANAGEMENT DISCUSSION AND ANALYSIS:-

a) Industry structure and developments

The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India's economy. India on its quest to become a global superpower has made significant strides towards the development of its engineering sector. The Government of India has appointed the Engineering Export Promotion Council (EEPC) as the apex body in charge of promotion of engineering goods, products and services from India. India exports transport equipment, capital goods, other machinery/equipment and light engineering products such as castings, forgings and fasteners to various countries of the world. We possess sound manufacturing facility which is assisted by our production team. The manufacturing unit is outfitted with the requisite machines, tools and equipments. The production process are designed and carried out as per the industry standards.

b) Opportunities and Threats

The threat of competition and imports continues, which the Company has been, and will be able to withstand, by focusing on cost control, exploring new applications of our products in other industries and approvals thereof. The cost control measures include increased automation, value engineering, and expanding the vendor base.

c) Outlook

We continue to see a significant opportunity in the market and will use periods of interim weakness as investment opportunities for long term. However, performance could differ materially due to economic conditions affecting demand, supply and price conditions in the domestic and overseas markets, changes in the government regulations, tax laws and other incidental factors .

d) Risks and Concerns

Risk is integral to any business. The Company has evolved a proper governance to identify and access potential risks and also formulate appropriate mitigation plans as under –

- Rising input cost – Identifying alternative sources for procurement of key raw material in cost competitive manner dividing the exposure into various kinds of raw materials which are also interchangeable.
- Labour availability – In order to retain the labour company has taken initiative of providing training on skill development and also introduced performance linked incentive schemes.
- Competition – To minimize the threat of competition the Company is regularly identifying the niche/high value segment and working aggressively with the customer centric approach. Various new approvals have been obtained and more are underway.
- Trade barriers – Wherever the Company finds surging of cheaper imports in the country, the matter will be timely taken through business associations with appropriate authorities in the Government for suitable protection / remedial measures.
- The Covid -19 pandemic has affected the working of the Company adversely in first quarter of the year and still working is not at 100 % capacity. The Covid-19 situation is still evolving and will continue to be so till vaccine of this is available to the public at large.

e) Internal Control Systems and their adequacy:

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

f) Financial Performance:

The Financial Performance of the Company has been impacted in last quarter of the year due to covid-19 pandemic.

g) Human Resources/ Industrial Relations:

The Company has maintained good industrial relations and has maintained harmonious relations with the employees.

h) 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.

i) Details of significant changes in Key Financial Ratios:

There is no significant change in key financial ratios as compared to the ratios of previous financial year except following:

Sr. No.	Particulars	2019-20	2018-19	Remarks
1)	Debtors Turnover Ratio	9.44	4.89	The Debtors Turnover ratio has improved substantially during FY-20 as compared to previous year due to no sales during second half of the month of March -2020 due to Covid-19.
2)	Return on Net Worth Ratio	11.18	9.38	The return on net worth has improved due to overall growth and working capital management

Form No. MR-3
Secretarial Audit Report

(For the Financial year ended **31st March, 2020**)

[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 PROCESS PLANT AND MACHINERY LIMITED

CIN: L28920MH1974PLC017683

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 PROCESS PLANT AND MACHINERY 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 **31st March, 2020**, 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 PROCESS PLANT AND MACHINERY LIMITED** ("The Company") for the Financial year ended on **31st March, 2020**, 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**not applicable to the Company during audit period**);
 - 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**);

(2)

- 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
- 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. There are no changes in the composition of the Board of Directors during the period under review.
- 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.

In the situation of COVID-19 pandemic and resultant lockdown, I have conducted the Secretarial Audit based upon the documents/ information received online and through other digital mode from Company.

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.

V M MEHRA & ASSOCIATES

Sd/-

Vishal Mehra
Company Secretary in
Whole-Time Practice
M. No.A41751
C.P. No.15526

Place : Mumbai
Date : 20th August , 2020

ANNEXURE – B

**Form No. AOC-2 -Particulars of contracts/arrangements made
with related parties**

For the Financial Year Ended March 31, 2020

*(Pursuant to Clause (h) of Sub-section (3) of Section 134 of
the Act and Rule 8(2) of the Companies (Accounts) Rules,
2014)*

This Form pertains to disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** There were no contracts or arrangements of transactions entered into during the financial year ended March 31, 2020, which were not on arm's length basis.
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name of the related party	Nature of relationship	Nature of contract / arrangement / transaction	Duration of contract / arrangement / transaction	Salient terms	Amount
Remi Edelstahl Tubulars Limited	Related party	Purchase & sale of steel goods and advance of Loans	Ongoing	in the ordinary course of business and on arm's length basis	Upto Rs 15.00 crores

**For and on behalf of Board of Directors
Remi Process Plant and Machinery Limited**

Sd/-
Vishwambhar C. Saraf
Chairman
(DIN:00161381)

Date : 24.08.2020
Place : Mumbai

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REMI PROCESS PLANT AND MACHINERY LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the financial statements of **REMI PROCESS PLANT AND MACHINERY LIMITED ("the Company")**, which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2020, and its profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

- a. In the case of the balance sheet, of the state of affairs of the company as at 31st March, 2020,
- b. In the case of the statement of profit and loss, of the profit (financial performance including other comprehensive income); and
- c. In the case of the cash flow statement, of the cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance. in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon.

We have determined that there are no key audit matters to communicate in 'our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude if there is a material misstatement of this other information, we have required to report that fact we have nothing to report in this regard.

Responsibility of Management for the Standalone 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 of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the. Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related. to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Boards of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing ("Sas"), we exercise professional judgment and maintain professional skepticism throughout the audit, we also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluated the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of mist significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstance, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard), Rules 2016.
- e. On the basis of the written representations received from the directors as on 31 March 2020, taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2020, from being appointed as a director in terms of section 164(2) of the Act ;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long term contract including derivative contract ; as such the question of commenting on any material foreseeable losses thereon does not arise;
 - iii. There has not been any occasion in case of the Company during the year under report to transfer any sums to the investor education and protection fund. The question of delay in transferring such sums does not arise.

**For SUNDARLAL, DESAI & KANODIA,
Chartered Accountants,
FRN 110560W**

Sd/-

**(M. B. DESAI)
Partner**

Membership Number 33978

PLACE : MUMBAI

DATED : 31st JULY , 2020

ANNEXURE "A" TO AUDITORS REPORT
REMI PROCESS PLANT AND MACHINERY LIMITED
For the year ended 31st March 2020

1.
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The Company has a regular program of physically verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years in accordance with the program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodically of physical verification is reasonable having regards to the size of the company and the nature of its assets.
 - c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deed of immovable of property are held in the name of the company.
2. 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.
3. As per the information and explanations given to us, the company has granted loans to associate companies/ parties covered in the register maintained under Section 189 of the Companies Act. In our opinion the terms and condition on which said advance given is not prima facie prejudicial to the interest of the company.
4. In our opinion According to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of the Act, with respect to the loan and investments made.
5. As per the information and explanations given to us, the company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not attracted.
6. The Central government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act & as informed to us, the same has also not been maintained.

7. a) According to the information and explanation given to us and based on the books and records examined by us the Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Custom duty, GST, Cess and other statutory dues, wherever applicable, have been generally deposited regularly during the year with appropriate authorities. There are no undisputed statutory dues as on 31st March, 2020 for a period of more than six months from the date they become payable.
- b) According to the information and explanation given to us particulars of dues of Income Tax, Custom duty, GST, Cess and other statutory dues, wherever applicable, which have not been deposited on account of any dispute are as follows:-

Sr. No.	Name of the Statute	Relevant Period	Amount (Rs.)	Form where dispute is pending
1.	The Income Tax Act	2011-2012 2013-2014	38,66,780/-	The Comm. of Income Tax (Appeals)
2.	The Maharashtra VAT Act	2015-2016	62,81,380/-	The Dy. Comm.of State Tax

8. The Company has not defaulted in repayment any loans or borrowings from any financial institution, banks, governments and debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, this para is not applicable.
10. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.
11. As per the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for managerial remuneration in accordance with the provision of section 197 read with schedule V to the Companies Act,2013.

12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, this para is not applicable.
13. According to the information and explanation given to us and based on our examination of the record of the company, transactions with the related parties are in accordance with the section 177 and 188 of the Companies Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanation given to us and based on our examination of the record of the company, the Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year.
15. According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, this para is not applicable.
16. The Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

**For SUNDARLAL, DESAI & KANODIA,
Chartered Accountants,
FRN 110560W**

Sd/-

(M. B. DESAI)

Partner

Membership Number 33978

PLACE : MUMBAI
DATED : 31st JULY , 2020

Annexure B To The Independent Auditor's Report Of Even Date On The Financial Statements,

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 ("the Company") as of March 31, 2020 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 criteria established by the Company considering the size of company and 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 ("the Guidance Note"). 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.

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 were operating effectively as at March 31, 2020, based on the assessment of essential components of internal controls over financial reporting stated in the Guidance Note carried out by the Company and representation to that effect is made available to us by the Company.

**For SUNDARLAL, DESAI & KANODIA,
Chartered Accountants,
FRN 110560W**

Sd/-

**(M. B. DESAI)
Partner**

Membership Number 33978

PLACE : MUMBAI
DATED : 31st JULY , 2020

REMI PROCESS PLANT AND MACHINERY LTD

BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Note No.	AS AT	AS AT
		31/03/2020	31/03/2019
Amount in (Rs.)			
(I) ASSETS			
1 Non-Current Assets			
Property, Plant and Equipment	2(a)	69,557,208	69,946,031
Other Intangible Assets	2(b)	122,610	-
Financial Assets			
Investments	3	144,922,969	101,193,616
Other Non Current Assets	4	3,710,242	4,270,642
		218,313,029	175,410,289
2 Current Assets			
Inventories	5	60,864,929	40,610,776
Financial Assets			
Investments	6	88,298,092	107,912,111
Trade receivable	7	24,769,120	45,691,071
Cash and cash equivalents	8	2,655,731	8,017,153
Other Bank balances	9	7,833,055	2,337,728
Loans	10	19,204,381	9,313,669
Others	11	3,523,452	3,541,059
Current Tax Assets (Net)	12	6,775,798	4,213,063
Other current assets	13	2,199,259	268,298
		216,123,817	221,904,928
Total Assets		434,436,846	397,315,217
(II) EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	14	17,600,000	17,600,000
Other Equity	15	195,950,982	175,542,501
		213,550,982	193,142,501
2 Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Provisions	16	3,141,155	4,788,238
Deferred tax liabilities (Net)	17	6,949,335	8,567,075
Other non-current liabilities	18	14,547,024	14,255,154
		24,637,514	27,610,467
Current Liabilities			
Financial Liabilities			
Borrowings	19	-	5,516,199
Trade Payable	20	20,738,758	19,012,532
Other financial liabilities	21	136,448,410	125,655,395
Other Current Liabilities	22	37,128,124	25,922,116
Provisions	23	1,933,058	456,007
		196,248,350	176,562,249
Total Equity and Liabilities		434,436,846	397,315,217

Summary of Significant accounting policies and Notes

1- 45

The accompanying notes are an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE
FOR SUNDARLAL DESAI & KANODIA,
CHARTERED ACCOUNTANTS
(Firm Registration No.110560W)

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-

(M.B. DESAI)
PARTNER
Membership No.33978

Sd/-

(V. C. SARAF)
CHAIRMAN
DIN:00161381

Sd/-

(R. R. SARAF)
EXECUTIVE DIRECTOR
DIN:00161435

Sd/-

PLACE : MUMBAI
DATED : 31st JULY, 2020

(BHAGIRATH SINGH)
CHIEF FINANCIAL OFFICER

Sd/-

(AMIT K. BARANGE)
COMPANY SECRETARY

REMI PROCESS PLANT AND MACHINERY LTD

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Note No.	Year Ended 31/03/2020	Year Ended 31/03/2019
		Amount in (Rs.)	
I. Revenue from Operations	24	258,294,442	179,092,533
II. Other Income	25	26,971,119	24,477,088
III. Total Income (I + II)		285,265,561	203,569,621
IV. Expenses:			
Cost of material consumed	26	97,206,713	66,956,087
Purchase of Stock-in-Trade	27	54,397,329	-
Changes in Finished Goods, and Work-in-Progress	28	(24,066,821)	(4,793,166)
Employee Benefit Expenses	29	54,021,933	48,069,520
Finance Costs	30	11,693,927	10,956,553
Depreciation and amortization expenses		5,737,707	5,880,691
Other Expenses	31	58,563,342	53,687,211
Total Expenses (IV)		257,554,130	180,756,896
V. Profit/(Loss) before exceptional items and Tax		27,711,431	22,812,725
VI. Exceptional Items		-	-
VII. Profit/(Loss) before Tax		27,711,431	22,812,725
VIII. <u>Tax Expense:</u>			
(1) Current Tax		4,127,620	4,489,133
(2) Deferred Tax (Credit)		(284,309)	(90,236)
(3) Short/(Excess) Provision of earlier year w/back		-	292,472
IX. Profit/(Loss) for the period		23,868,120	18,121,356
X. Other Comprehensive Income (Net of Tax)		(3,459,639)	1,980,308
XI. Total Comprehensive Income		20,408,481	20,101,664
XII. <u>Earnings per equity share</u>			
(1) Basic		13.56	10.30
(2) Diluted		13.56	10.30

Summary of Significant accounting policies & Notes

1- 45

The accompanying notes are an integral part of the Financial Statements.

AS PER OUR REPORT OF EVEN DATE
FOR SUNDARLAL DESAI & KANODIA,
CHARTERED ACCOUNTANTS
(Firm Registration No.110560W)

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-

(M.B. DESAI)
PARTNER
Membership No.33978

Sd/-

(V. C. SARAF)
CHAIRMAN
DIN:00161381

Sd/-

(R. R. SARAF)
EXECUTIVE DIRECTOR
DIN:00161435

Sd/-

(BHAGIRATH SINGH)
CHIEF FINANCIAL OFFICER

Sd/-

(AMIT K. BARANGE)
COMPANY SECRETARY

PLACE : MUMBAI
DATED : 31st JULY, 2020

REMI PROCESS PLANT AND MACHINERY LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2019-2020

	(₹ in Lacs)	
	2019-2020	2018-2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra-ordinary item	277.11	228.13
Adjustment for :		
Depreciation	57.38	58.81
Interest	111.82	102.12
Loss (Gain) on Sale of Fixed Assets	(0.13)	0.74
Capital (Gain) on sale of Investments	(42.04)	(33.10)
Interest Income	(83.56)	(48.42)
Dividend	(57.05)	(60.70)
Other Income	(86.93)	(102.55)
Operating profit before working capital charges	176.60	145.03
Adjustment for :		
Trade and Other Receivables	71.16	454.37
Inventories	(202.54)	(136.54)
Trade Payable and Provision	238.47	125.23
Cash Generated from Operations	283.69	588.09
Interest Paid	(111.82)	(102.12)
Direct Taxes Paid	(41.28)	(47.81)
Cash Flow before Extra-ordinary items	130.59	438.16
Net Cash from Operating Activities (A)	130.59	438.16
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(57.61)	(18.28)
Sale of Fixed Assets	3.03	3.00
Remeasurement of net define benfit plans	(33.56)	32.73
Purchase of Investments	(2,020.45)	(3,259.77)
Sale of Investments	1,806.84	2,548.58
Interest, Dividend and Other Income	227.67	211.67
Net Cash used in Investing Activities (B)	(74.08)	(482.07)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short Term Borrowing	(55.16)	(28.63)
Repayment of Long Term Loan	-	(2.83)
Net Cash used in Financial Activities (C)	(55.16)	(31.46)
Net Increase in Cash and Cash Equivalents (A+B+C)	1.35	(75.37)
Cash as at (Closing Balance)	104.89	103.55
Cash as at (Opening Balance)	103.54	178.92
Increase/Decrease in Cash Balance	1.35	(75.37)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES

1- 45

NOTES :

- The Cash Flow has been prepared under the 'Indirect Method' as setout in Accounting Standard (Ind AS)-7' Cash Flow Statement
- Figures in brackets represent Outflow.

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

FOR AND ON BEHALF OF BOARD

Sd/-
(M.B. DESAI)
PARTNER
Membership No. 33978

Sd/-
(V. C. SARAF)
CHAIRMAN
DIN:00161381

Sd/-
(R. R. SARAF)
EXECUTIVE DIRECTOR
DIN:00161435

PLACE : MUMBAI
DATED : 31st JULY, 2020

Sd/-
(BHAGIRATH SINGH)
CHIEF FINANCIAL OFFICER

Sd/-
(AMIT K. BARANGE)
COMPANY SECRETARY

REMI PROCESS PLANT AND MAHINERY LIMITED

Corporate Information

REMI Process Plant and Machinery Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number **L28920MH1974PLC017683**. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the business of manufacturing of **Industrial Mixer**. The principal place of business of the company is at Goregaon Mumbai Maharashtra. The Company caters to both domestic and international markets. It has certifications likes ISO 9001 registration for products thereby complying with globally accepted quality standards.

NOTE-1

1. Significant Accounting Policies:-

Basis of Preparation of Financial Statements:-

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 'First time adoption of Indian Accounting Standards'. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Company's presentation and functional currency is Indian Rupees (Rs.). All figures appearing the financial statements are rounded off to the Rupee, except where otherwise indicated.

1.1 Authorization of Financial Statements:-

The preparation of Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amounts of the assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

- ⇒ Assessment of functional currency;
- ⇒ Financial instruments;
- ⇒ Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible assets;
- ⇒ Valuation of Inventories
- ⇒ Measurement of Defined Benefit Obligations and actuarial assumptions;
- ⇒ Provisions;
- ⇒ Evaluation of recoverability deferred tax assets; and
- ⇒ Contingencies.

Revisions to accounting estimates are recognised prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

1.2 Property, Plant and Equipment

1.2.1 Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.2.2 The initial costs of an asset comprises its purchase price or construction costs (including import duties and non-refundable taxes), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).

- 1.2.3 Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- 1.2.4 Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.
- 1.2.5 An item of Property, Plant and Equipment and any significant part initially recognized separately as part of Property, Plant and Equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognized.
- 1.2.6 The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any are accounted in line with revisions to accounting estimates.
- 1.2.7 The Company has elected to use exemption available under Ind AS 101 to continue the carrying value for all its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per previous GAAP and use that as its deemed cost as at the date of transition (1st April, 2016).
- 1.2.8 Cost of assets not ready for use at the balance sheet date is disclosed under Capital Work-in-Progress. Expenditure during Construction period is included under Capital Work-in-Progress & the same is allocated to the respective Property, Plant and equipment on the completion of its construction.

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act.

- 1.3.1 Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.2 Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.3 Depreciation is charged on additions/deletions on pro-rata monthly basis including the month of addition/deletion.

1.4 Intangible Assets

- 1.4.1 Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any.

1.5 Investment Property

- 1.5.1 Investment property is property (land or a building – or part of building – or both) held either to earn rental income or a capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes.
- 1.5.2 Any gain or loss on disposal of investment property calculated as the difference between the net proceeds and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.6 Borrowing Costs

- 1.6.1 Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
- 1.6.2 Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.7 Impairment of Non-financial Assets

- 1.7.1 Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.
- 1.7.2 When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.8 Inventories

- 1.8.1 The cost for the purpose of valuation of goods is arrived at on FIFO basis and includes Cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience of the company.

The mode of valuing closing stock is as under:

- ⇒ Raw Materials and General Stores are valued at cost or net realizable value, whichever is less, excluding GST credit, by FIFO method.
 - ⇒ Work-in-Process is valued at raw material cost plus estimated overheads or net realizable value; whichever is less but excluding GST credit.
 - ⇒ Finished Goods valued at cost including estimated overheads or net realizable value whichever is less.
 - ⇒ Scrap is valued at realizable value.
- 1.8.2 Raw materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

- 1.8.3 Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.9 Revenue Recognition

1.9.1 Sale of Goods

Revenue from the sale of goods is recognized when the significant risks and rewards of the ownership of the goods have passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company.

Revenue from sale of goods excludes GST and is measured at the fair value of the consideration received or receivable (after including fair value allocations related to multiple deliverable and/or linked arrangements), after the deduction of any trade discounts, volume rebates, net of returns, taxes or duties collected on behalf of the government.

When the Company acts as an agent on behalf of a third party, the associated income is recognized on net basis.

Export Sales are accounted for on the basis of the date of Bill of Lading.

- 1.9.2 Claims are recognized on settlement. Export incentives are accounted for in year exports are made.
- 1.9.3 Interest income is recognized using Effective Interest Rate (EIR) method.

1.10 Classification of Income/ Expenses

- 1.10.1 Income/ expenditure are recognized on accrual basis except in case of significant uncertainty like claims payable & receivable, which have accounted on acceptance basis. Purchases are reported of net of trade discounts, returns and GST (to extent refundable/adjustable)

1.11 Employee benefits

1.11.1 Short term employment benefits

Short term employee benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized as an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.11.2 Defined Contribution Plans

⇒ Employee's Family Pension:

The Company has Defined Contribution Plan for Post-employment benefits in the form of family pension for all eligible employees, which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligation beyond its monthly contributions.

⇒ Provident Fund:

The Company has Defined Contribution Plan for Post-employment benefits in the form of Provident Fund for all eligible employees; which is administered by the Regional Provident Fund Commissioner and is charged to revenue every year. Company has no further obligations beyond its monthly contributions.

1.11.3 Defined Benefit Plans

⇒ Gratuity:

The Company has a Defined Benefit Plan for Post-employment benefit in the form of gratuity for all eligible employees which is administered through Life Insurance Corporation (LIC) and a trust which is administered by the trustees. Liability for above defined benefit plan is provided on the basis of actuarial 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.

⇒ **Compensated Absences :**

Liability for Compensated Absences 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. Under this method, the Defined Benefit Obligation is calculated taking into account pattern of availment of leave whilst in service and qualifying salary on the date of availment of leave. In respect of encashment of leave, the Defined Benefit obligation is calculated taking into account all types of the increment, salary growth, attrition rate and qualifying salary projected up to the assumed date of encashment.

1.11.4 Termination Benefits:

⇒ Termination benefits are recognised as an expense as and when incurred.

1.11.5 The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

1.11.6 The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

1.11.7 Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

1.11.8 Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

1.12 Foreign Currency Transactions

1.12.1 Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

1.12.2 Non - Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.13 Provisions, Contingent Liabilities and Capital Commitments

1.13.1 Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.13.2 The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.13.3 Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.13.4 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.14 Fair Value measurement

- 1.14.1 The Company measures certain financial instruments at fair value at each reporting date.
- 1.14.2 Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.
- 1.14.3 Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability also reflects its non-performance risk.
- 1.14.4 The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.15 Financial Assets

1.15.1 Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.15.2 Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

1.15.3 Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date. The application of simplified approach does not require the Company to track changes in credit risk. Based on the past history and track records the company has assessed the risk of default by the customer and expects the credit loss to be insignificant. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.16 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.17 Taxes on Income

1.17.1 Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.17.2 **Deferred tax**

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.18 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.19 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

1.20 Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.21 Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

REMI PROCESS PLANT AND MACHINERY LIMITED.

NOTE-02

(Amount in ₹)

Particular	Usefull Life	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT			
		As on 01.04.2019	Addition/ adjustment	Deduction	As on 31.03.2020	Upto 31.03.2019	For the Year	Deduction	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
(a) TANGIBLE ASSETS:											
1. Land		9,451,760	-	-	9,451,760	-	-	-	-	9,451,760	9,451,760
2. Factory Building	30	44,292,191	357,494	-	44,649,685	18,423,398	1,161,177	-	19,584,575	25,065,110	25,868,793
3. Plant And Machinery	15	26,272,791	426,668	-	26,699,459	18,866,759	1,001,033	-	19,867,792	6,831,667	7,406,032
4. Computers	3	1,080,512	289,390	-	1,369,902	819,444	159,114	-	978,558	391,344	261,068
5. Office Equipment	5	2,266,635	562,577	-	2,829,212	1,882,842	201,497	-	2,084,339	744,873	383,793
6. Wind Mill	22	35,188,472	112,100	-	35,300,572	21,910,261	1,317,266	-	23,227,527	12,073,045	13,278,211
7. Electrical Instalation	10	7,634,793	634,050	-	8,268,843	6,898,036	411,811	-	7,309,847	958,996	736,757
8. Air Conditioners	5	1,303,260	43,906	-	1,347,166	1,072,888	60,555	-	1,133,443	213,723	230,372
9. Furniture & Fixture	10	1,596,156	1,764,269	-	3,360,425	1,465,851	165,755	-	1,631,606	1,728,819	130,305
10. Vehicles	8	7,848,731	1,445,801	1,037,141	8,257,391	4,346,551	910,397	747,381	4,509,567	3,747,824	3,502,180
11 Solar System	28	9,123,801	-	-	9,123,801	427,041.00	346,712	-	773,753	8,350,048	8,696,760
Total (a)		146,059,102	5,636,255	1,037,141	150,658,216	76,113,071	5,735,317	747,381	81,101,007	69,557,209	69,946,031
(b) INTANGIBLE ASSETS:											
Computer Software	3	1,554,635	125,000	-	1,679,635	1,554,635	2,391	-	1,557,026	122,609	-
Total (b)		1,554,635	125,000	-	1,679,635	1,554,635	2,391	-	1,557,026	122,609	-
Total (a) + (b)		147,613,737	5,761,255	1,037,141	152,337,851	77,667,706	5,737,708	747,381	82,658,033	69,679,818	69,946,031
PREVIOUS YEAR TOTAL		144,602,562	3,782,790	2,726,250	147,613,737	72,184,427	5,880,692	397,413	77,667,706	69,946,031	74,372,770

REMI PROCESS PLANT AND MACHINERY LTD

NOTES TO FINANCIAL STATEMENT

Particulars	AS AT 31/03/2020	AS AT 31/03/2019
Amount in (Rs.)		
NOTE - 3		
INVESTMENTS		
Long Term Investment , Non Trade Quoted		
Investment in NCD's /Bonds		
50,000,8% Indian Railway Finance Corporation Ltd Fixed Interest(Tax Free) Bonds of Rs.1000/-each fully paid,	52,021,506	53,998,500
20,(-) 8.70% Bank of Baroda Perpetual Bonds of Rs.10,00,000/-each	20,292,643	-
Investment in Preference Shares		
2,50,000 7.95% Non Convertible Preference Shares of L&T Finance Holdings Ltd of ₹ 100/-each fully paid,	25,000,000	-
25000,7.50% Non Convertible Preference Share of Tata Capital Ltd of ₹1000/-each fully paid,	25,000,000	25,000,000
Other Investments		
10,000 Units of IRB INVIT FUND of ₹Rs. 10/- each,	256,100	660,500
Long Term Investment ,Non Trade Unquoted		
10,000 Units Avendus Absolute Return Fund Class A2	11,421,300	10,993,977
10,000 Units Avendus Absolute Return Fund Class A5	10,931,420	10,540,639
Total	144,922,969	101,193,616
NOTE - 4		
OTHER NON-CURRENT ASSETS		
(Unsecured and considered good)		
Security Deposits	3,097,420	3,593,820
Advance towards Lease Rent	612,822	676,822
Total	3,710,242	4,270,642
NOTE - 5		
INVENTORIES		
(As per Inventory taken, valued and certified by management)		
Raw Materials (including goods in transit ₹15,900/-; P.Y. ₹ 2,46,539/-)	20,047,782	23,860,450
Work-In -Process	25,244,455	12,413,083
Finished goods	15,572,692	4,337,243
Total	60,864,929	40,610,776
NOTE - 6		
Current Inestments		
Investment in Mutual Funds		
542196.590 Units of ICICI Prudential Equity Arbitrage Fund of ₹ 10/- each,	7,899,913	32,868,484
12645.944 Units of ICICI Prudential Liquid Fund of ₹ 10/- each,	-	3,495,546
1950313.567 Units of Kotak Equity Arbitrage Fund of ₹ 10 /- each,	21,789,098	46,337,708
4120.952 Units of Kotak Liquid Direct Plan of ₹ 10/- each,	-	15,595,036
Investment in NCD's Quoted		
50,(-) 8.49% Unsecured Redeemable Non Convertible Debentures of Hero Fincorp Ltd, of Rs.10,00,000/-each	50,000,000	-
Investment in Preference Shares, Quoted		
89,445, 8.15% Non Convertible Preference Shares of L&T Finance Holdings Ltd of Rs. 100/-each fully paid,	8,609,081	9,615,337
Total	88,298,092	107,912,111

REMI PROCESS PLANT AND MACHINERY LTD

Particulars	AS AT 31/03/2020	AS AT 31/03/2019
	Amount in (Rs.)	
NOTE - 7		
<u>TRADE RECEIVABLE</u>		
Trade Receivables considered goods-Secured	-	-
Trade Receivables considered goods-Unsecured	24,769,120	45,691,071
Trade Receivables which have significant increase in Credit Risk;	-	-
Trade Receivables credit impaired	-	-
Total	24,769,120	45,691,071
NOTE - 8		
<u>CASH AND CASH EQUIVALENTS:</u>		
Cash on Hand	36,022	216,053
In Current accounts	119,709	168,868
Fixed Deposits with maturity of less than 3 months	2,500,000	7,632,232
Total	2,655,731	8,017,153
NOTE - 9		
<u>OTHER BANK BALANCE</u>		
Fixed Deposits (includes fixed deposits of ₹ 63,32,605/-with maturity of more than 12 month) (Pledged with SBI against Bank Guarantees and L/Cs as margin)	7,832,605	2,337,278
Unclaimed Dividend A/c'S.	450	450
Total	7,833,055	2,337,728
NOTE - 10		
<u>LOANS</u>		
<u>SHORT TERM LOAN AND ADVANCES</u>		
Loan Receivables considered goods-Secured	-	-
Loan Receivables considered goods-Unsecured - Related Party	19,204,381	9,313,669
Loan Receivables considered goods-Unsecured -Others	-	-
Loan Receivables which have significant increase in Credit Risk;	-	-
Loan Receivables- credit impaired	-	-
Total	19,204,381	9,313,669
NOTE - 11		
<u>OTHER FINANCIAL ASSETS</u>		
Advances recoverable in cash or in kind for value to be received	1,173,084	1,969,064
Prepaid Expenses	2,350,368	1,571,995
Total	3,523,452	3,541,059
NOTE - 12		
<u>CURRENT TAX ASSETS (NET)</u>		
Payment of Advance Income Tax, TDS (Net)	1,189,934	-
Balances with Central Excise and Cenvat Refundable	205,686	205,686
Sales Tax Receivable	1,118,154	2,566,467
GST Credit Receivable	3,037,338	216,224
Mat Credit Receivable	1,224,686	1,224,686
Total	6,775,798	4,213,063
NOTE - 13		
<u>OTHER CURRENT ASSETS</u>		
Interest accrued but not due	2,199,259	268,298
Total	2,199,259	268,298

REMI PROCESS PLANT AND MACHINERY LIMITED

Statement of Changes in Equity for the period ended 31st March 2020

Equity Share Capital	Balance at the beginning of the reporting period (₹)	Changes in equity share capital during the year (₹)	Balance at the end of the reporting period (₹)
NOTE - 14			
SHARE CAPITAL			
AUTHORISED:			
18,00,000 (18,00,000) Equity Shares of ₹ 10/- Each	18,000,000	-	18,000,000
ISSUED, SUBSCRIBED AND PAID UP :			
17,60,000 (P.Y. 17,60,000) Equity Shares of ₹ 10/- each	17,600,000	-	17,600,000

(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 by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

(b) During the year ended 31st March 2020, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 0.00 (31st March 2019 ₹ 0.00)

(c) 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.

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

Sr. No.	Name of the Shareholder	No. of shares as on 31-03-2020	No. of shares as on 31-03-2019
1	Rishabh R. Saraf	124800	124800
2	Rajendra Chiranjilal H.U.F.	127200	127200
3	Vishwambhar Chiranjilal H.U.F.	135200	135200
4	Minakshi R. Saraf	156000	156000
5	Vandana V. Saraf	260000	260000
6	Shruti R. Saraf	286400	286400
7	Fulidevi Saraf Family Trust	126000	126000
8	Lakshminarayan Realinvent Ltd.	209000	209000
9	Hanuman Forging And Engineering Pvt. Ltd.	220000	220000

REMI PROCESS PLANT AND MACHINERY LTD

Particulars	AS AT 31/03/2020	AS AT 31/03/2019
	Amount in (Rs.)	
NOTE - 15		
<u>Other Equity</u>		
<u>General Reserve:</u>		
Opening Balance	69,834,276	64,834,276
Add: Transferred from surplus balance in Statement of Profit & Loss	5,000,000	5,000,000
	74,834,276	69,834,276
<u>Surplus:</u>		
Opening Balance	105,708,225	90,606,561
Add: Profit for the period	23,868,120	18,121,356
Other Comprehensive Income	(3,459,639)	1,980,308
Less: <u>Appropriations:</u>		
Transferred to General reserve	5,000,000	5,000,000
Net surplus in the statement of profit & loss	121,116,706	105,708,225
Total reserves and surplus	195,950,982	175,542,501
NOTE - 16		
<u>Provisions</u>		
Provision For Leave Encashment	3,141,155	4,788,238
Total	3,141,155	4,788,238
NOTE - 17		
<u>Deferred Tax Liabilities (Net)</u>		
Deferred Tax Liabilities (Net)	6,949,335	8,567,075
Total	6,949,335	8,567,075
NOTE - 18		
<u>Other Non-Current Liabilities</u>		
Deposit Received	14,547,024	14,255,154
Total	14,547,024	14,255,154
NOTE - 19		
<u>Borrowings</u>		
<u>Secured Loans:</u>		
Working Capital from State Bank of India [Secured by hypothecation of Company's entire current assets, movable Plant & Machinery, Furniture & Fixtures, etc., and extension of equitable mortgage of Land & Building at Palghar and at Dhule and further guaranteed by two of the Directors]	-	5,516,199
Total	-	5,516,199
NOTE - 20		
<u>Trade Payables</u>		
(A) Total outstanding dues of micro and small enterprises; (Interest Paid/Payable Nil)	862,380	3,217,247
(B) Total outstanding dues of other than micro and small enterprises	19,876,378	15,795,285
Total	20,738,758	19,012,532
NOTE - 21		
<u>Other Financial Liabilities</u>		
Current Maturities of long term debts	-	282,714
Other Statutory Dues Payable	1,750,958	7,552,001
Other Liabilities	16,728,817	10,933,806
Lease Rent And Interest thereon	117,968,635	106,886,874
Total	136,448,410	125,655,395
NOTE - 22		
<u>OTHER CURRENT LIABILITIES</u>		
Advance from Customers	37,055,408	25,562,174
Prepaid Rent Income (Ind AS Adj)	72,716	359,942
Total	37,128,124	25,922,116
NOTE - 23		
<u>PROVISIONS</u>		
<u>Short Term Provisions</u>		
Provision For Leave Encashment	258,187	244,586
Provision For Gratuity	1,674,871	211,421
Total	1,933,058	456,007

REMI PROCESS PLANT AND MACHINERY LTD

NOTES TO PROFIT AND LOSS ACCOUNT

Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
	Amount in (Rs.)	
NOTE - 24		
Revenue from Operations:		
(a) Sale of Products:		
Local Sales	187,498,988	160,398,196
Export Sales	259,204	410,951
Trading Sales	55,281,065	-
Income from Wind Power	2,759,260	5,842,296
	245,798,517	166,651,443
(b) Other Operating Revenues:		
Sale of scrap	852,925	691,950
Job Work & Service Charges	243,000	349,140
Conducting Charges	11,400,000	11,400,000
	12,495,925	12,441,090
Revenue from operations	258,294,442	179,092,533
Product wise details		
Process Plant and Machinery	187,758,192	160,809,147
Sale of Wind Power	2,759,260	5,842,296
Others	55,281,065	-
Total	245,798,517	166,651,443
NOTE - 25		
Other Income		
(a) Interest (including tax free interest of ₹58,46,994/-)	8,355,581	4,842,315
(b) Other Non - Operating Income		
Dividend Received	5,705,508	6,069,859
Rent Received	6,505,920	6,363,738
Rent Income (Ind AS Adj)	277,226	348,739
Income from Avendus Absolute Return Fund	818,104	1,215,271
Capital Gain on Sale of Investments	4,203,927	3,310,260
Profit on Sale of Fixed Assets	12,915	-
Increase in value of current Investments(Ind AS Adj)	518,256	807,779
Foreign Exchange Gain	9,607	-
Excess Provision of Bonus W/Back	-	158,529
Miscellaneous Income	564,075	1,360,598
Total	26,971,119	24,477,088
NOTE - 26		
Cost of Materials consumed		
Inventory at the beginning of the year	23,860,451	14,999,702
Add: Purchases	93,394,044	75,816,835
	117,254,495	90,816,537
Less: Inventory at the end of the year	20,047,782	23,860,450
Cost of Materials Consumed	97,206,713	66,956,087
Product wise details		
Electric Motor	11,756,398	8,786,118
Gear Box	15,873,805	11,966,636
Steel Goods	41,479,444	30,176,002
Others	28,097,066	16,027,331
Total	97,206,713	66,956,087
NOTE - 27		
Purchases of Stock-in-Trade		
Steel Goods	54,397,329	-
Total	54,397,329	-
NOTE - 28		
(a) (Increase) / decrease in inventories		
Inventories at the end of the year		
Work-in-progress	25,244,455	12,413,083
Finished goods	15,572,692	4,337,243
	40,817,147	16,750,326
(b) Inventories at the beginning of the year		
Work-in-progress	12,413,083	5,950,712
Finished goods	4,337,243	6,006,448
	16,750,326	11,957,160
Net (Increase) / Decrease	(24,066,821)	(4,793,166)

REMI PROCESS PLANT AND MACHINERY LTD

Particulars	Year Ended 31/03/2020	Year Ended 31/03/2019
Amount in (Rs.)		
NOTE - 29		
<u>Employee Benefit expenses:</u>		
Salaries, wages and bonus etc.	48,746,773	43,174,578
Contribution to Provident Fund, ESIC & Gratuity funds	4,198,238	3,765,216
Staff welfare expenses	1,076,922	1,129,726
Total	54,021,933	48,069,520
NOTE - 30		
<u>Finance Costs</u>		
Interest expenses	11,182,307	10,211,625
Other Financial Charges	229,750	383,250
Interest expenses (Ind AS Adj)	281,870	361,678
Total	11,693,927	10,956,553
NOTE - 31		
<u>Other Expenses:</u>		
<u>Manufacturing Expenses :</u>		
Power and fuel	2,752,887	2,491,358
Job Work Charges	14,006,768	9,566,104
Royalty	1,938,957	1,601,232
Testing and Inspection	383,369	263,122
<u>Repairs and maintenance:</u>		
Building	928,003	145,292
Machinery	1,559,054	1,525,556
Others	1,568,666	1,450,082
<u>Adminstrative, Selling & Other Expenses :</u>		
Rent Rates and Taxes	1,263,811	1,331,420
Insurance	232,800	340,015
Rent & Lease Rent	8,475,812	8,725,812
Travelling & Conveyance	5,662,930	7,495,409
Advertisement & Sales Promotion	1,255,552	1,566,225
Director Sitting Fees	152,966	114,606
Donation	100,000	-
Director Commission	-	204,341
Legal and professional fees	6,320,055	5,196,136
Commission on Sales	4,207,319	87,942
Late Delivery Charges	1,166,993	2,657,360
Bad Debts Written off	-	1,915,086
Sundry Balance w/off	-	58,933
Sales Tax & GST	33,199	149,755
STT Paid	500	-
Loss on Sale of Fixed Assets	-	74,202
Loss of Goods in Transit	-	10,000
Loss in Foreign Currency transaction	-	180,820
<u>Payment to auditors:</u>		
(a) As auditors:		
Audit fee	125,000	125,000
Tax audit fee	50,000	50,000
(b) In other capacity:		
Other services	35,000	21,000
Reimbursement of expenses	-	753
Freight and Forwarding Charges	1,375,000	1,840,680
Bank Charges & Commission	1,283,158	668,910
Miscellaneous Expenses	3,685,543	3,830,060
Total	58,563,342	53,687,211

32. **The significant component and classification of deferred tax assets and liabilities on account of timing differences are as under: -**

Deferred Tax Assets:

Retirement Benefits
Other Comprehensive Income

Deferred Tax Liability:

Depreciation
Net deferred tax asset / (liability) on account of timing difference

As At 2019-2020 (₹)	As At 2018-2019 (₹)
9,45,697	14,00,132
8,57,130	(10,89,532)
18,02,827	3,10,600
(87,48,786)	(88,77,675)
(69,45,959)	(85,67,075)

33. **Earning per Shares**

a) Weighted average number of equity shares of ₹10/- each

- Number of shares at the beginning of the year
- Number of shares at the end of the year
- Weighted average number of equity shares outstanding During the year.

b) Net profit after tax available for equity share-holders

c) Basic and diluted earnings per equity share

2019-2020 (₹)	2018-2019 (₹)
17,60,000	17,60,000
17,60,000	17,60,000
17,60,000	17,60,000
238,68,120	181,21,356
13.56	10.30

34. **Related parties disclosures: -**

The related parties as per the terms of Ind AS-24, "Related Party Disclosures". (Specified under Section 133 of the Companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below.

Name of other Related parties with whom transactions have taken place during the year:-

(a) **Key Management Personnel (KMP)**

Shri Rishabh R.Saraf
Shri Bhagirath Singh (CFO)
Shri Amit kumar Barange- Company Secretary

(b) **Enterprises in which KMP are Interested:**

Remi Edelstahl Tubulars Limited
Aura Realfinvest Private Limited
Dholishakti International

(c) **Relatives of KMP**

Rajendra Electricals Motor Industries

(d) **Non Executive Directors**

Shri Vishwambhar Saraf
Shri Ramkrishna Shriya
Shri Detlef Ernst Hans Klatt
Shri Rajendra C. Saraf
Smt Anita Bhartiya

(e) **Enterprises in which Non Executive Director are interested:**

Remi Elektrotechnik Limited
Remi International
STC Engineering GmbH

(f) **Relatives of Non Executive Directors**

Shri Ritvik Saraf

Notes to the Standalone Financial Statement for the year Ended March-2020

(₹ In Lakhs)

Sr. No.	Nature of Transactions	Associates	Key Managerial Personal/Relatives	Others	Total
1.	Purchases of Goods / Services	614.40	--	--	614.40
2.	Sale of Goods / Services	652.31	--	--	652.31
3.	Job Work & Testing Charges paid	21.95	--	--	21.95
4.	Payment to Key Managerial Personal / Relative	--	111.33	--	111.33
5.	Rent Received	48.55	6.37	--	54.92
6.	Rent Paid	1.75	21.00	1.75	24.50
7.	Net Loan and Advances Deposits Given/ (Returned)	1435.75	--	--	1435.75
8.	Sitting Fees paid to Directors	--	--	1.53	1.53
9.	Net Interest Received	11.14	--	--	11.14
10.	Reimbursement Received	20.70	--	--	20.07
11.	Royalty Paid	21.72	--	--	21.72

Balances as on 31st March, 2020.

(₹In Lakhs)

Sr. No	Nature of Transactions	Associates	Key Managerial Personal/Relatives	Others	Total
1.	Trade Receivable	5.55	0.49	--	6.04
2.	Loans and Advances	194.10	--	--	194.10
3.	Deposits	22.26	2.70	--	24.96
4.	Trade and Other Payable	6.86	--	--	6.86

Note

1. The Transaction with related parties are made on terms equivalent to those that prevail in arm's Length transaction outstanding balances at the year end are unsecured. The Group has not recorded any impairment of receivable relating to amounts owned by the related parties. This assessment is undertaken each financial year through examining the Financial Position of the related party and the market in which the related party operates.

* excludes provision for gratuity & Compensated leave for key Managerial Personal as Separate Actuarial Valuation is not available.

35. Disclosures in respect of "Employee Benefits" :**(A) Defined Contribution Plans:**

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

For the year ended March 31, 2020 (₹)

Contribution to Employees' Provident Fund	30,32,914 (26,37,268)
Total	30,32,914 (26,37,268)

(B) Defined Benefits Plans:**(i) Changes in the Present Value of Obligation**

		Gratuity	Leave Encashment	Total
(a)	Present Value of Obligation as at April 1, 2019	1,02,97,567 (1,34,73,852)	50,32,824 (43,03,303)	1,53,30,391 (1,77,77,155)
(b)	Interest Cost	7,45,360 (9,16,461)	3,46,769 (3,10,982)	10,92,128 (12,27,443)
(c)	Past Service Cost	-- (-)	-- (-)	-- (-)
(d)	Current Service Cost	8,44,756 (7,54,273)	7,33,368 (5,11,155)	15,78,124 (12,65,428)
(e)	Benefits Paid	(2,21,625) ((29,21,769))	(8,79,713) ((5,29,149))	(11,01,338) ((34,50,918))
(f)	Actuarial (Gain)/Loss	13,91,789 ((19,25,250))	(18,33,906) (4,36,533)	(4,42,117) (14,88,717)
(g)	Present Value of Obligation as at March 31, 2020	1,30,57,847 (1,02,97,567)	33,99,342 (50,32,842)	1,64,57,189 (1,53,30,391)

(ii)	Changes in the Fair value of Plan Assets:	For the year ended March 31, 2020
		Gratuity (₹)
(a)	Present Value of Plan Assets as at April 1, 2019	1,00,86,146 (1,15,12,350)
(b)	Expected Return on Plan Assets	7,61,504 (8,86,451)
(c)	Actuarial (Gain)/Loss	(44,631) ((1,94,585))
(d)	Employers' Contributions	8,01,582 (8,03,699)

(e) Employees' Contributions	-- (--)
(f) Benefits Paid	(2,21,625) (29,21,769)
(g) Fair Value of Plan Assets as at March 31, 2020	1,13,82,976 (1,00,86,146)

(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, 2020 (₹)

	Gratuity	Leave Encashment	Total
(a) Present Value of Funded Obligation as at March 31, 2020	1,30,57,847 (1,02,97,567)	33,99,342 (50,32,824)	1,64,57,189 (1,53,30,391)
(b) Fair Value of Plan Assets as at March 31, 2020	(1,13,82,876) (1,00,86,146)	-- (--)	(1,13,82,976) (1,00,86,146)
(c) Present Value of Unfunded Obligation as at March 31, 2020	-- (--)	33,99,342 (50,32,824)	-- (--)
(d) Net Liability recognized in the Balance Sheet	16,74,871 (2,11,421)	33,99,342 (50,32,824)	50,74,213 (52,44,245)

(iv) Expenses recognized in the Profit and Loss Account

	Gratuity	Leave Encashment	Total
(a) Current Service Cost	8,44,756 (7,54,273)	7,33,368 (5,11,155)	15,78,124 (12,65,428)
(b) Past Service Cost	-- (--)	-- (--)	-- (--)
(c) Interest Cost	7,45,360 (9,16,461)	3,46,769 (3,10,982)	10,92,129 (12,27,443)
(d) Expected Return on Plan Assets	(7,61,504) ((8,86,451))	-- (--)	(7,61,504) ((8,86,451))
(e) Net actuarial (Gain)/Loss	-- (--)	(18,33,906) (4,36,533)	(18,33,906) (4,36,533)
(f) Employees' Contribution	-- (--)	-- (--)	-- (--)
(g) Total Expenses recognized in the Profit and Loss Account	8,28,612 (7,84,283)	(7,53,669) (12,58,670)	74,843 (20,42,953)

(v) Amount recognized in Other Comprehensive Income (OCI) :-

For the year ended March 31, 2020

	Gratuity	Leave Encashment	Total
(a) Amount recognized in OCI, Beginning of period	2,06,483 (19,37,148)	-- (--)	2,06,483 (19,37,148)
(b) Reimbursement due to:	-- (--)	-- (--)	-- (--)
(c) Effect of Change in financial assumptions [C]	8,62,273 (1,20,566)	-- (--)	8,62,273 (1,20,566)
(d) Effect of Change in demographic assumptions [D]	(4,427) (--)	-- (--)	(4,427) (--)

(e) Effect of experience adjustments [E]	(5,33,943) ((20,45,816))	-- (--)	(5,33,943) ((20,45,816))
(f) Actuarial (Gains/Losses) (C+D+E)	(13,91,789) ((19,25,250))	-- (--)	(13,91,789) ((19,25,250))
(g) Return of Plan assets (excluding interest)	(44,631) ((1,94,585))	-- (--)	(44,631) ((1,94,585))
(h) Total remeasurements recognized in OCI	14,36,420 ((17,30,665))	-- (--)	14,36,420 ((17,30,665))
(i) Amount recognized in OCI, End of period	16,42,903 (2,06,483)	-- (--)	16,42,903 (2,06,483)

(vi) Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2020

	Percentage
(a) Government of India Securities	-- (--)
(b) Corporate Bonds	-- (--)
(c) Special Deposit Scheme	-- (--)
(d) Equity Shares of Listed Companies	-- (--)
(e) Property	-- (--)
(f) Insurer Managed Funds	100% (100%)
(g) Others	-- (--)

(vii) 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.

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

Particulars	(₹)
(a) Actual return on plan assets	7,16,873 (6,91,866)

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

Particulars	Gratuity	Leave Encashment
(a) Discount Rate	6.65% (7.55%)	6.65% (7.55%)
(b) Expected Rate of Return on Plan Assets	7.55% (7.70%)	0.00% (0.00%)
(c) Salary Escalation Rate	6.00% (6.00%)	6.00% (6.00%)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

(x)	Sensitivity Analysis	31 March, 2020
	Defined Benefit Obligation (Base)	1,30,57,847

Sensitivity Analysis	Decrease	Increase
Discount Rate	1,35,84,544	1,25,66,017
Impact of increase/decrease in 50bps on DBO	4.03%	-3.77%
Salary Growth Rate	1,25,83,820	1,35,34,646
Impact of increase/decrease in 50 bps on DBO	-3.63%	3.65%

36. The company operates in two segments namely manufacturing of process plant and machinery & wind power. Since the revenue, result and assets of wind power are below the prescribed criteria hence same is not treated as reportable segment.

37. **Contingent Liabilities not provided for:**

- a) Guarantees given by the Bankers on behalf of the Company ₹ **4,86,86,526/-** (P.Y. ₹ 2,68,15,599/-).
- b) Sales Tax demands disputed in appeals ₹ **62,81,380/-** (P.Y. ₹ 7,05,530/-).
- c) Liability in respect of Lease rent including interest thereon disputed by the Company ₹ **4,02,75,495/-** (P.Y. ₹ 3,78,00,258/-)
- d) Income tax demand disputed in appeal ₹ **48,33,480/-** (P.Y. ₹ 11,26,380/-)

38. **Impact of COVID-19 Pandemic**

The spread of COVID-19 has severally affected the businesses around the world. In many countries, including India, there has been severe disruption to regular operations due to lock-downs, disruptions in transportations, supply chain, travels bans, quarantines, social distancing and other emergency measures.

The Company's manufacturing activity disrupted during the lockdown period but resumed in phased manner from third week of May, 2020.

The Company has made detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment's, Intangible assets, Trade Receivable, Inventories and Investments as at the Balance Sheet date, and based on the internal external information upto the date of approval of these financial statements has concluded that no material judgments are required to be made in the financial results. The management shall continue to monitor every material changes to future economic conditions on continuing basis.

39. Confirmations have not been received of debit and credit balances of the parties' accounts. Hence, the said balances are as per books of account only.

40. In the opinion of the Board, the current assets, loans and advances are approximately of the values stated if realised in the ordinary course of business. The provisions for all known liabilities are adequate and not in excess of the amounts reasonably necessary. There are no contingent liabilities other than those stated hereinabove.

41. The Company is holding leasehold land from MCGM for 60 years. The MCGM had demanded revised lease rent from March 2007 onwards. The Company represented to MCGM that the revised lease rent is not justified and has also requested them to reconsider the date from which the lease period should be calculated. The MCGM has not given any reply to the Company's representation, however, the Company is pursuing for favourable response. The Company has shown lease rent and interest thereon for the disputed period as contingent liability and has made provision of lease rent and interest till date. The company has also filed writ Petition before Hon'ble High Court of Bombay in the said matter.
42. Rent and conducting charges receivable in respect of assets given on operating lease in next one year is ₹179.06 Lakhs (P.Y. ₹ 179.06 Lakhs), beyond one year to five years ₹ 416.22 Lakhs (P.Y. ₹ 360.58 Lakhs) and beyond five years ₹ NIL (P.Y. ₹ NIL).

43. **Value of Raw Material Consumed:**

	Value (₹)	% of Total Consumption
Imported	58,20,449 (58,19,796)	5.98 (8.69)
Indigenous	9,13,86,264 (6,11,36,291)	94.02 (91.31)
TOTAL	9,72,06,713 (6,69,56,087)	100.00 (100.00)

44. a) Imports of Materials on C.I.F basis
b) Foreign Exchange Earnings:
- FOB Value of Exports
c) Expenditure in Foreign Currency:
- Travelling Expenses
- Other Expenses

2019-2020 (₹)	2018-2019 (₹)
14,97,939	1,00,69,142
2,59,204	4,10,950
2,39,500	10,09,401
92,466	3,93,778

45. Previous year's figures have been regrouped / recast / reclassified wherever necessary. Figures within brackets are for previous year.

SIGNATURE TO NOTES 1 TO 45.

AS PER OUR REPORT OF EVEN DATE ANNEXED

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

FOR AND ON BEHALF OF BOARD

Sd/-

Sd/-

Sd/-

(M.B. DESAI)

(V. C. SARAF)

(R. R. SARAF)

PARTNER

CHAIRMAN

EXECUTIVE DIRECTOR

Membership No.33978

DIN:00161381

DIN:00161435

Sd/-

Sd/-

PLACE : MUMBAI

(BHAGIRATH SINGH)

(AMIT K. BARANGE)

DATED : 31ST JULY, 2020

CHIEF FINANCIAL OFFICER

COMPANY SECRETARY