



REMI GROUP

REMI PROCESS PLANT AND MACHINERY LTD.



**47TH ANNUAL REPORT
2020 – 21**

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 (upto 10 th July , 2021)	
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 47th Annual General Meeting of the Company will be held at the Company's Registered Office on **Wednesday, the 29th September, 2021, at 1.30 P.M.** 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, 2021, 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.

Special Business - Special Resolution:

3. To reappoint Shri Rishabh R. Saraf (DIN: 00161435) as Executive Director of the Company.

“Resolved that Shri Rishabh R. Saraf (DIN: 00161435), be and is hereby reappointed as the Executive Director of the Company, for a term of 3 years from the 3rd August, 2021, on the following terms and conditions:

- i. A monthly salary of Rs.3,12,500/-
- ii. Reimbursement of actual medical expenses and mediclaim policy incurred for self and family.
- iii. Free furnished residential accommodation.
- iv. Leave Travel Concession for self and family once a year, in accordance with the rules of the Company.
- v. Annual fees of not more than two clubs.
- vi. Free use of one or more Company car with driver for official purpose only.
- vii. Telephone at residence and Mobile phone.
- viii. Gratuity as per the rules of the Company.
- ix. Encashment of Leave at the end of the tenure.”

“FURTHER RESOLVED THAT the Board of Directors of the Company shall have power to grant annual increments to the Director upto a limit of 20% of the total emoluments. However the overall remuneration shall not exceed the limits specified in Section II, Part II of Schedule V to the Companies Act, 2013.

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: August 10, 2021.

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

NOTES:

- 1) The Register of Members and the Share Transfer Books of the Company will remain closed from **Wednesday, the 22nd September, 2021** to **Wednesday, the 29th September, 2021**, both days inclusive.
- 2) 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.

3) **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.

- 4) An Explanatory Statement relating to the item of special business set out in item No.3 is herein below:

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

Item No. 3

Shri Rishabh R. Saraf is reappointed as Executive Director of the Company from the 3rd August, 2021 as per Schedule V, Part II section II (A) of the Companies Act, 2013 and hence, the following information is to be given herein:

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

I. General Information:

- (1) Nature of Industry : Manufacture of various items of machinery and equipments.
- (2) Commencement of commercial production : 1974
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not a new Company.
- (4) Financial performance : The Company has a turnover of Rs 2352.08 Lacs and net profit of Rs.177.64 Lacs for the financial year 2020-21.
- (5) Foreign investments or collaborations : None

II. Information about the Appointee:

- (1) Shri Rishabh R. Saraf (44) hails from a family of business people of fifty years' standing. After his college education, he obtained a Bachelor's degree in Business Management from the University of Nottingham in England. After his return, he joined his family business and has received from his elders in the family very good training in business management. He was first appointed on the board of directors on the 30/05/2011. He attended 6 (Six) meetings of the Board of Directors during the year 2020-21. He is Managing Director of Remi Edelstahl Tubulars Limited and on Board of Black Rose Industries Limited and Aura Realfinvest Private Limited. He is chairman of Stakeholders Relationship Committee Black Rose Industries Limited and he is Member of Stakeholders Relationship Committee of Remi Edelstahl Tubulars Limited.

- (2) Past remuneration : Rs.2,50,000/-
- (3) Recognition or awards : --
- (4) Job profile and his suitability : Shri Rishabh Saraf is Graduate from University of Nottingham in England. He has more than 16 years of Experience in management, production, sales, export, finance and other administrative matters. He has become the right person for managing the affairs of the Company. The Company will benefit from his rich knowledge and expertise.
- (5) Remuneration Proposed : As set out in the Special Resolution.
- (6) Comparative Remuneration profile : In similar Companies, this package is the norm.
- (7) Pecuniary relationship : He has a good financial stake in the Company by way of holding 124800 equity shares, 7.09% of the paid up capital. His father and the latter's brother are Directors of this Company.

III. Other information : Not Applicable

IV. Disclosure:

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

Shri Rishabh R. Saraf and his father Shri R. C. Saraf are deemed to be interested in this item of business.

Your Directors commend the resolutions for your approval.

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, 2021.

Financial Results	(Rs. in Lakhs)	
	2020 - 2021	2019 - 2020
Gross Turnover	2352.08	2582.94
Profit before Interest, Depreciation and Tax (EBIDTA)	399.67	451.43
Less: Finance Cost	128.21	116.94
Depreciation	56.12	57.38
Taxation	37.70	38.43
Net Profit	177.64	238.68
Other comprehensive income	17.49	(34.60)
Net Profit (after other comprehensive income)	195.13	204.08
Balance brought forward	1161.17	1007.09
Profit available for appropriations	1356.30	1211.17
<u>Appropriations</u>		
Transferred to General Revenue	50.00	50.00
Net surplus in the Statement of Profit & Loss	1306.30	1161.17
	1356.30	1211.17

OPERATIONS :

The Company achieved turnover of Rs. 2352.08 Lakhs during the year as against Rs. 2582.94 Lakhs of previous year. The Company has achieved EBIDTA and net profit of Rs. 399.67 Lakhs and Rs.177.64 Lakhs during the year as against Rs.451.43 Lakhs and Rs.238.68 Lakhs respectively in the previous year. The working of year 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.

DELISTING OF EQUITY SHARES FROM BSE LIMITED

Pursuant to application of Voluntary delisting of equity shares from BSE Limited, the Company has received approval of BSE Limited that the Company is delisted from BSE Limited w.e.from 7th July, 2021.

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 (82) 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 6 (Six) meetings of the Board of Directors during the year 2020-21. He is on the Board of Remi Edelstahl Tubulars Limited, Remi Elektrotechnik Limited, Technocraft Industries (India) Limited, Aura Realfinvest Private Limited. He is Chairman of Stakeholders Relationship Committee in Remi Edelstahl Tubulars 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.

KEY MANAGERIAL PERSONNEL

Shri Amit Kumar Barange has resigned from the position of Company Secretary and Compliance officer w.e.from 10th July, 2021.

BOARD MEETINGS:

During the year, 6 (Six) 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, 2021 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditors.

SECRETARIAL AUDITOR:

The secretarial audit report for FY 2020-21 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 were no material related party transactions entered by the Company during the year and thus disclosure in Form AOC-2 is not required.. 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:

- the steps taken or impact on conservation of energy; : All efforts are being made to conserve energy.
- 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 : Nil
conservation equipments;

(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	---
Outgo	Rs.62.48 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

TRANSFER OF UNPAID/UNCLAIMED DIVIDEND AMOUNT AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to sections 124 and 125 of the Companies Act 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends if not claimed for a consecutive period of 7 years from the date of transfer to unpaid dividend account of the Company are liable to be transferred to the Investor Education and Protection Fund. Further shares in respect of such dividend which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

The unpaid/unclaimed dividend for the financial year 2014-15 and 2015 -16 onwards will be transferred to IEPF as given below:-

Financial Year Date of Declaration Due date for transfer to IEPF

Financial Year	Date of Declaration	Due date for transfer to IEPF
2014-15	12.03.2015	14.05.2022
2015-16	14.03.2016	16.05.2023

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, 2021.

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 2021, 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 2021 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 : August 10, 2021

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 and still working is not at 100 % capacity. The Covid-19 situation is still evolving and will continue to be so till all the people is vaccinated.

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 during 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	2020-21	2019-20	Remarks
1)	Current Ratio	1.41	1.10	The current ratio has improved during the year compared to previous year as the Company kept its earning during the year in cash and cash equivalents.
2)	Debtors Equity Ratio	0.02	0.00	The debt equity ratio increased marginally during the year as the company utilized cash credit limit during the year as against Nil in P.Y.
3)	Return on Net Worth	7.62	11.18	The return on net worth declined during the year due to decline in over all profitability of the company, due to Covid – 19, compare to previous year.

Form No. MR-3
Secretarial Audit Report

(For the Financial year ended **31st March, 2021**)

[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, 2021**, 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, 2021**, 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; 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.

**For Kamlesh Rajoria & Associates
Company Secretaries**

Sd/-

**CS Kamlesh Rajoria
Proprietor
M No.A43016
CP No.18010**

Place : Mumbai

Date : June 24 , 2021

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, 2021, 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, 2021, 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, 2021;
- 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 2021, taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2021, 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/-

UDIN : 21033978AAAADS9372

PLACE : MUMBAI

DATED : 29th JUNE, 2021

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

Membership Number 33978

ANNEXURE "A" TO AUDITORS REPORT
REMI PROCESS PLANT AND MACHINERY LIMITED

For the year ended 31st March 2021

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.

Contd.....2.

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, 2021 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	1,65,413/-	The Dy. Comm.of State Tax (Appeals)
3.	The Maharashtra CST Act	2015-2016	62,81,380/-	The Dy. Comm.of State Tax(Appeals)
4.	The Maharashtra CST Act	April-2017- June-2017	38,155/-	The Dy.Comm.of State Tax(Appeals)

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/-

UDIN : 21033978AAAADS9372

PLACE : MUMBAI

DATED : 29th JUNE, 2021

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

Membership Number 33978

**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, 2021 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.

Contd.....2.

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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Contd.....3.

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, 2021, 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 & KANODI
Chartered Accountants,
FRN 110560W**

Sd/-

UDIN : 21033978AAAADS9372

PLACE : MUMBAI

DATED : 29th JUNE,2021

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

REMI PROCESS PLANT AND MACHINERY LIMITED

BALANCE SHEET AS AT 31ST MARCH 2021

Particulars	Note No.	AS AT	AS AT
		31/03/2021	31/03/2020
Amount in (Rs.)			
(I) ASSETS			
1 Non-Current Assets			
Property, Plant and Equipment	2(a)	67,994,903	69,557,208
Capital Work- in-progress	2(b)	2,223,989	-
Other Intangible Assets	2(c)	80,948	122,610
Financial Assets			
Investments	3	101,043,173	119,922,969
Other Non Current Assets	4	3,790,951	3,710,242
		175,133,964	193,313,029
2 Current Assets			
Inventories	5	55,032,843	60,864,929
Financial Assets			
Investments	6	138,686,054	113,298,092
Trade receivable	7	27,909,594	24,769,120
Cash and cash equivalents	8	29,698,313	2,655,731
Other Bank balances	9	8,321,403	7,833,055
Loans	10	8,454,516	19,204,381
Others	11	3,506,703	3,523,452
Current Tax Assets (Net)	12	3,123,942	6,775,798
Other current assets	13	3,278,661	2,199,259
		278,012,029	241,123,817
Total Assets		453,145,993	434,436,846
(II) EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	14	17,600,000	17,600,000
Other Equity	15	215,464,128	195,950,982
		233,064,128	213,550,982
2 Liabilities			
Non-Current Liabilities			
Provisions	16	2,832,597	3,141,155
Deferred tax liabilities (Net)	17	6,214,654	6,949,335
Other non-current liabilities	18	14,240,387	14,547,024
		23,287,638	24,637,514
Current Liabilities			
Financial Liabilities			
Borrowings	19	4,660,017	-
Trade Payable			
Total outstanding dues of micro and small enterprises	20	-	862,380
Total outstanding dues of other than micro and small enterprises		9,747,872	19,876,378
Other financial liabilities	21	158,834,105	136,448,410
Other Current Liabilities	22	22,480,533	37,128,124
Provisions	23	1,071,700	1,933,058
		196,794,227	196,248,350
Total Equity and Liabilities		453,145,993	434,436,846

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 : 29TH JUNE,2021

(BHAGIRATH SINGH)
CHIEF FINANCIAL OFFICER

Sd/-

(AMIT K. BARANGE)
COMPANY SECRETARY

REMI PROCESS PLANT AND MACHINERY LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	Note No.	Year Ended	Year Ended
		31/03/2021	31/03/2020
		Amount in (Rs.)	
I. Revenue from Operations	24	235,207,860	258,294,442
II. Other Income	25	26,169,308	26,971,119
III. Total Income (I + II)		261,377,168	285,265,561
IV. Expenses:			
Cost of material consumed	26	72,289,733	97,206,713
Purchase of Stock-in-Trade	27	48,907,052	54,397,329
Changes in Inventories of Finished Goods and Work-in-Progress	28	7,311,474	(24,066,821)
Employee Benefit Expenses	29	41,404,924	54,021,933
Finance Costs	30	12,820,709	11,693,927
Depreciation and amortization expenses		5,612,272	5,737,707
Other Expenses	31	51,497,902	58,563,342
Total Expenses (IV)		239,844,066	257,554,130
V. Profit/(Loss) before exceptional items and Tax		21,533,102	27,711,431
VI. Exceptional Items		-	-
VII. Profit/(Loss) before Tax		21,533,102	27,711,431
VIII. Tax Expense:			
(1) Current Tax		4,163,729	4,127,620
(2) Deferred Tax (Credit)		(778,901)	(284,309)
(3) Short/(Excess) Provision of earlier year w/back		384,346	-
IX. Profit/(Loss) for the period		17,763,928	23,868,120
X. Other Comprehensive Income (Net of Tax)		1,749,218	(3,459,639)
XI. Total Comprehensive Income		19,513,146	20,408,481
XII. Earnings per equity share			
(1) Basic		10.09	13.56
(2) Diluted		10.09	13.56

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

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(V. C. SARAF)
CHAIRMAN
DIN:00161381

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EXECUTIVE DIRECTOR
DIN:00161435

Sd/-

PLACE : MUMBAI
DATED : 29TH JUNE,2021

(BHAGIRATH SINGH)
CHIEF FINANCIAL OFFICER

Sd/-

(AMIT K. BARANGE)
COMPANY SECRETARY

REMI PROCESS PLANT AND MACHINERY LIMITED

STANDALONE CASH FLOW STATEMENT

	(Rs. in Lakhs)	
	AS AT 31.03.2021	AS AT 31.03.2020
	(Audited)	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax and Extra-ordinary item	215.33	277.11
Adjustment for :		
Depreciation	56.12	57.38
Interest	122.63	111.82
Loss (Gain) on Sale of Fixed Assets	-	(0.13)
Capital (Gain) on sale of Investments	(23.70)	(42.04)
Interest Income	(82.93)	(83.56)
Dividend	(67.27)	(57.05)
Other Income	(87.79)	(86.93)
Total	(82.94)	(100.51)
Operating profit before working capital charges	132.39	176.60
Adjustment for :		
Trade and Other Receivables	101.17	71.16
Inventories	58.32	(202.54)
Trade Payable and Provision	(47.29)	238.47
Total	112.20	107.09
Cash Generated from Operations	244.59	283.69
Direct Taxes Paid	(45.48)	(41.28)
Net Cash from Operating Activities (A)	199.11	242.41
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(40.08)	(57.61)
Capital Work- in- Progress	(22.24)	-
Sale of Fixed Assets	-	3.03
Remeasurement of net define benefit plans	9.16	(33.56)
Purchase of Investments	(1,151.58)	(2,020.45)
Sale of Investments	1,118.97	1,806.84
Interest, Dividend and Other Income	237.99	227.67
Interest Paid	(122.63)	(111.82)
Net Cash used in Investing Activities (B)	29.59	(185.90)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Short Term Borrowing	46.60	(55.16)
Repayment of Long Term Loan	-	-
Net Cash used in Financial Activities (C)	46.60	(55.16)
Net Increase in Cash and Cash Equivalents	275.30	1.35
Cash as at (Closing Balance)	380.19	104.89
Cash as at (Opening Balance)	104.89	103.54
Net Increase/Decrease in Cash Balance	275.30	1.35

SIGNIFICANT ACCOUNTING POLICIES AND NOTES

1- 45

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 : 29th JUNE,2021

Sd/-
(BHAGIRATH SINGH)
CHIEF FINANCIAL OFFICER

Sd/-
(AMIT K. BARANGE)
COMPANY SECRETARY

STATEMENT OF CHANGES IN EQUITY

Name of the Company : **REMI PROCESS PLANT AND MACHINERY LIMITED**

Statement of Changes in Equity for the period ended : **31st March, 2021**

A. Equity Share Capital									
	Balance at the beginning of the reporting period	17,600,000							
	Changes in equity share capital	---							
	Balance at the end of the reporting period	17,600,000							

B. Other Equity		Reserves and Surplus				Other items of Other Comprehensive Income	Total
		Capital Reserves	Securities Premium Reserve	Other Reserves (General Reserve)	Retained Earnings		
	Balance at the beginning of the reporting period	-	-	74,834,276	123,723,328	(2,606,622)	195,950,982
	Changes in accounting policy or prior period errors						-
	Restated balance at the beginning of the reporting period						-
	Total Comprehensive Income for the year					1,749,218	1,749,218
	Dividends						-
	Transfer to retained earnings			5,000,000	12,763,928		17,763,928
	Any other change (to be specified)						-
	Balance at the end of the reporting period	-	-	79,834,276	136,487,256	(857,404)	215,464,128

The accompanying notes form an integral part of the standalone financial statements

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

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: 29th JUNE,2021

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

Particular	Usefull Life	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		As on 01.04.2020	Addition/ adjustment	Deduction	As on 31.03.2021	Upto 31.03.2020	For the Year	Deduction	Upto 31.03.2021	As on 31.03.2021	As on 31.03.2020
(a) TANGIBLE ASSETS:											
1. Land		9,451,760	-	-	9,451,760	-	-	-	-	9,451,760	9,451,760
2. Factory Building	30	44,649,685	-	-	44,649,685	19,584,575	1,166,432	-	20,751,007	23,898,678	25,065,110
3. Plant And Machinery	15	26,699,459	565,997	-	27,265,456	19,867,792	1,022,735	-	20,890,527	6,374,929	6,831,667
4. Computers	3	1,369,902	764,890	-	2,134,792	978,558	281,407	-	1,259,965	874,827	391,344
5. Office Equipment	5	2,829,212	16,000	-	2,845,212	2,084,339	204,659	-	2,288,998	556,214	744,873
6. Wind Mill	22	35,300,572	1,799,500	-	37,100,072	23,227,527	1,332,344	-	24,559,871	12,540,201	12,073,045
7. Electrical Instalation	10	8,268,843	-	-	8,268,843	7,309,847	60,212	-	7,370,059	898,784	958,996
8. Air Conditioners	5	1,347,166	72,656	-	1,419,822	1,133,443	53,848	-	1,187,291	232,531	213,723
9. Furniture & Fixture	10	3,360,425	-	-	3,360,425	1,631,606	171,848	-	1,803,454	1,556,971	1,728,819
10. Vehicles	8	8,257,391	789,262	-	9,046,653	4,509,567	930,414	-	5,439,981	3,606,672	3,747,824
11. Solar System	28	9,123,801	-	-	9,123,801	773,753	346,712	-	1,120,465	8,003,336	8,350,048
Total (a)		150,658,216	4,008,305	-	154,666,521	81,101,007	5,570,611	-	86,671,618	67,994,903	69,557,209
(b) Capital Work-in-Progress:		-	-	-	-	-	-	-	-	2,223,989	-
(c) INTANGIBLE ASSETS:											
Computer Software	3	1,679,635	-	-	1,679,635	1,557,026	41,661	-	1,598,687	80,948	122,609
Total (b)		1,679,635	-	-	1,679,635	1,557,026	41,661	-	1,598,687	2,304,937	122,609
Total (a) + (b)		152,337,851	4,008,305	-	156,346,156	82,658,033	5,612,272	-	88,270,305	70,299,840	69,679,818
PREVIOUS YEAR TOTAL		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

(Amount in ₹)

REMI PROCESS PLANT AND MACHINERY LTD

NOTES TO FINANCIAL STATEMENT

Particulars	AS AT	AS AT
	31/03/2021	31/03/2020
Amount in (Rs.)		
NOTE - 3		
LONG TERM INVESTMENTS		
Investment in NCD's /Bonds (Quoted, valued at market value)		
50000 (50000) 8% Indian Railway Finance Corporation Ltd Fixed Interest(Tax Free) Bonds of ₹1000/-each fully paid up.	51,528,006	52,021,506
--(20) 8.70% Bank of Baroda Perpetual Bonds of ₹10,00,000/-each	-	20,292,643
Investment in Preference Shares (Quoted, valued at market value)		
250000 (250000) 7.95% Non Convertible Preference Shares of L&T Finance Holdings Ltd of ₹ 100/-each fully paid up.	25,000,000	25,000,000
Other Investments (Quoted, at market value)		
10000 (10000) Units of IRB INVIT FUND of ₹Rs. 10/- each fully paid up.	535,500	256,100
Other Investments (Unquoted, at realisable value)		
10000(10000) Units Aventus Absolute Return Fund Class A2	12,260,250	11,421,300
10000(10000) Units Aventus Absolute Return Fund Class A5	11,719,417	10,931,420
Total	101,043,173	119,922,969
NOTE - 4		
OTHER NON-CURRENT ASSETS		
(Unsecured and considered good)		
Security Deposits	3,242,129	3,097,420
Advance towards Lease Rent	548,822	612,822
Total	3,790,951	3,710,242
NOTE - 5		
INVENTORIES		
(As per Inventory taken, valued and certified by management)		
Raw Materials (including goods in transit ₹ 52,379/-; P.Y. Rs. ₹15,900/-)	21,527,170	20,047,782
Work-In -Process	10,438,401	25,244,455
Finished goods	23,067,272	15,572,692
Total	55,032,843	60,864,929
NOTE - 6		
Current Investments		
Investment in Mutual Funds		
--(542196.590) Units of ICICI Prudential Equity Arbitrage Fund of ₹ 10/- each,	-	7,899,913
--(1950313.567) Units of Kotak Equity Arbitrage Fund of ₹ 10 /- each,	-	21,789,098
2464412.116 (-) Units of Bharat Bond FOF-April-2025 Direct Plan Growth of ₹10/-each	25,220,547	-
Investment in NCD's/Bonds (Quoted,at market value)		
--(50) 8.49% Unsecured Redeemable Non Convertible Debentures of Hero Fincorp Ltd, of ₹10,00,000/-each	-	50,000,000
50, (-) 7.74% State Bank of India Perpetual Bonds of ₹10,00,000/-each	50,965,507	-
Investment in Preference Shares, (Quoted at market value)		
--(89445) 8.15% Non Convertible Preference Shares of L&T Finance Holdings Ltd of ₹ 100/-each fully paid up,	-	8,609,081
37500,(-) 7.10% Series AA Non Convertible Preference Shares of Tata Capital Ltd ₹1000/-each fully paid up.	37,500,000	-
--(25000) 7.50% Non Convertible Preference Share of Tata Capital Ltd of ₹1000/-each fully paid up.	25,000,000	25,000,000
Total	138,686,054	113,298,092

REMI PROCESS PLANT AND MACHINERY LTD

Particulars	AS AT 31/03/2021	AS AT 31/03/2020
	Amount in (Rs.)	
NOTE - 7		
<u>TRADE RECEIVABLE</u>		
Trade Receivables considered goods-Secured	-	-
Trade Receivables considered goods-Unsecured	27,909,594	24,769,120
Trade Receivables which have significant increase in Credit Risk;	-	-
Trade Receivables credit impaired	-	-
Total	27,909,594	24,769,120
NOTE - 8		
<u>CASH AND CASH EQUIVALENTS:</u>		
Cash on Hand	132,397	36,022
In Current accounts	25,000	119,709
Fixed Deposits with maturity of less than 3 months	29,540,916	2,500,000
Total	29,698,313	2,655,731
NOTE - 9		
<u>OTHER BANK BALANCE</u>		
Fixed Deposits (includes fixed deposits of ₹83,20,953 /-with maturity of more than 12 month) (Pledged with SBI against Bank Guarantees and L/Cs as margin)	8,320,953	7,832,605
Unclaimed Dividend Accounts	450	450
Total	8,321,403	7,833,055
NOTE - 10		
<u>LOANS</u>		
<u>SHORT TERM LOAN AND ADVANCES</u>		
Loan Receivables considered goods-Secured	-	-
Loan Receivables considered goods-Unsecured - Related Party	8,454,516	19,204,381
Loan Receivables considered goods-Unsecured -Others	-	-
Loan Receivables which have significant increase in Credit Risk;	-	-
Loan Receivables- credit impaired	-	-
Total	8,454,516	19,204,381
NOTE - 11		
<u>OTHER FINANCIAL ASSETS</u>		
Advances recoverable in cash or in kind for value to be received	1,794,687	1,173,084
Prepaid Expenses	1,712,016	2,350,368
Total	3,506,703	3,523,452
NOTE - 12		
<u>CURRENT TAX ASSETS (NET)</u>		
Payment of Advance Income Tax, TDS (Net)	1,526,918	1,189,934
Balances with Central Excise and Cenvat Refundable	205,686	205,686
Sales Tax Receivable	1,118,154	1,118,154
GST Credit Receivable	273,184	3,037,338
Mat Credit Receivable	-	1,224,686
Total	3,123,942	6,775,798
NOTE - 13		
<u>OTHER CURRENT ASSETS</u>		
Interest accrued but not due	3,278,661	2,199,259
Total	3,278,661	2,199,259

REMI PROCESS PLANT AND MACHINERY LIMITED

Amount in ₹

	AS AT 03-2021	31- 31-03-2020
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 2021, the amount of per share dividend recognised as distributions to equity shareholders was ₹ 0.00 (31st March 2020 ₹ 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 31-03-2021	No. of shares as on 31-03-2020
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 Realfinvent Ltd.	209000	209000
9	Hanuman Forging And Engineering Pvt. Ltd.	220000	220000

REMI PROCESS PLANT AND MACHINERY LTD

Particulars	AS AT 31/03/2021	AS AT 31/03/2020
	Amount in (Rs.)	
NOTE - 15		
<u>Other Equity</u>		
<u>General Reserve:</u>		
Opening Balance	74,834,276	69,834,276
Add: Transferred from surplus balance in Statement of Profit & Loss	5,000,000	5,000,000
	79,834,276	74,834,276
<u>Retained Earnings</u>		
Opening Balance	123,723,328	104,855,208
Add: Profit for the period	17,763,928	23,868,120
Less: Transferred to General reserve	5,000,000	5,000,000
	136,487,256	123,723,328
<u>Other Comprehensive Income (OCI)</u>		
Opening Balance	(2,606,622)	853,017
Add/(Loss)	1,749,218	(3,459,639)
Other Comprehensive Income for the period	(857,404)	(2,606,622)
Total	215,464,128	195,950,982
NOTE - 16		
<u>Provisions</u>		
Provision For Leave Encashment	2,832,597	3,141,155
Total	2,832,597	3,141,155
NOTE - 17		
<u>Deferred Tax Liabilities (Net)</u>		
Deferred Tax Liabilities (Net)	6,214,654	6,949,335
Total	6,214,654	6,949,335
NOTE - 18		
<u>Other Non-Current Liabilities</u>		
Deposit Received	14,240,387	14,547,024
Total	14,240,387	14,547,024
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]	4,660,017	-
Total	4,660,017	-
NOTE - 20		
<u>Trade Payables</u>		
(A) Total outstanding dues of micro and small enterprises; (Interest Paid/Payable Nil)	-	862,380
(B) Total outstanding dues of other than micro and small enterprises	9,747,872	19,876,378
Total	9,747,872	20,738,758
NOTE - 21		
<u>Other Financial Liabilities</u>		
Other Statutory Dues Payable	6,544,872	1,750,958
Other Liabilities	4,294,903	4,814,393
Lease Rent And Interest thereon	147,994,330	129,883,059
Total	158,834,105	136,448,410
NOTE - 22		
<u>OTHER CURRENT LIABILITIES</u>		
Advance from Customers	22,130,589	37,055,408
Prepaid Rent Income (Ind AS Adj)	349,944	72,716
Total	22,480,533	37,128,124
NOTE - 23		
<u>PROVISIONS</u>		
<u>Short Term Provisions</u>		
Provision For Leave Encashment	299,266	258,187
Provision For Gratuity	772,434	1,674,871
Total	1,071,700	1,933,058

REMI PROCESS PLANT AND MACHINERY LTD

NOTES TO PROFIT AND LOSS ACCOUNT

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Amount in (Rs.)		
NOTE - 24		
Revenue from Operations:		
(a) Sale of Products:		
Local Sales	172,665,280	187,498,988
Export Sales	-	259,204
Trading Sales	49,645,491	55,281,065
Income from Wind Power	1,811,381	2,759,260
	224,122,152	245,798,517
(b) Other Operating Revenues:		
Sale of scrap	494,220	852,925
Job Work & Service Charges	141,488	243,000
Conducting Charges	10,450,000	11,400,000
	11,085,708	12,495,925
Revenue from operations	235,207,860	258,294,442
Product wise details		
Sale of Process Plant and Machinery	172,665,280	187,758,192
Sale of Wind Power	1,811,381	2,759,260
Sale of Steel Goods	49,645,491	55,281,065
Total	224,122,152	245,798,517
NOTE - 25		
Other Income		
(a) Interest - Tax free		
	4,000,000	5,846,994
(b) Interest Others		
	4,293,016	2,508,587
(c) Other Non - Operating Income		
Dividend Received	6,727,055	5,705,508
Rent Received	6,505,920	6,505,920
Rent Income (Ind AS Adj)	329,325	277,226
Income from Aventus Absolute Return Fund	1,626,947	818,104
Capital Gain on Sale of Investments	2,370,257	4,203,927
Profit on Sale of Fixed Assets	-	12,915
Increase in value of current Investments(Ind AS Adj)	-	518,256
Foreign Exchange Gain	-	9,607
Sundry Balance w/back	114,588	-
Late Delivery Charges Received	57,897	-
Miscellaneous Income	144,303	564,075
Total	26,169,308	26,971,119
NOTE - 26		
Cost of Materials consumed		
Inventory at the beginning of the year	20,047,782	23,860,451
Add: Purchases during the year	73,769,121	93,394,044
	93,816,903	117,254,495
Less: Inventory at the end of the year	21,527,170	20,047,782
Cost of Materials Consumed	72,289,733	97,206,713
Product wise details		
Electric Motor	9,408,892	11,756,398
Gear Box	9,195,743	15,873,805
Steel Goods	34,906,532	41,479,444
Others	18,778,566	28,097,066
Total	72,289,733	97,206,713
NOTE - 27		
Purchases of Stock-in-Trade		
Steel Goods	48,907,052	54,397,329
Total	48,907,052	54,397,329
NOTE - 28		
(a) (Increase) / decrease in inventories		
Inventories at the end of the year		
Work-in-progress	10,438,401	25,244,455
Finished goods	23,067,272	15,572,692
	33,505,673	40,817,147
(b) Inventories at the beginning 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
Net (Increase) / Decrease	7,311,474	(24,066,821)

REMI PROCESS PLANT AND MACHINERY LTD

Particulars	Year Ended 31/03/2021	Year Ended 31/03/2020
Amount in (Rs.)		
NOTE - 29		
Employee Benefit expenses:		
Salaries, wages, bonus etc.	37,137,078	48,746,773
Contribution to Provident Fund, ESIC & Gratuity funds	3,249,424	4,198,238
Staff welfare expenses	1,018,422	1,076,922
Total	41,404,924	54,021,933
NOTE - 30		
Finance Costs		
Interest Expenses	12,262,671	11,182,307
Other Financial Charges	258,123	229,750
Interest Expenses (Ind AS Adj)	299,915	281,870
Total	12,820,709	11,693,927
NOTE - 31		
Other Expenses:		
Manufacturing Expenses :		
Power and fuel	1,903,310	2,752,887
Job Work Charges	10,302,080	14,006,768
Royalty	1,755,751	1,938,957
Testing and Inspection	282,945	383,369
Repairs and maintenance:		
Building	97,848	928,003
Machinery	1,564,311	1,559,054
Others	1,325,777	1,568,666
Administrative, Selling & Other Expenses :		
Rent Rates and Taxes	1,292,251	1,263,811
Insurance	473,091	232,800
Rent & Lease Rent	8,277,812	8,475,812
Travelling & Conveyance	4,278,523	5,662,930
Advertisement & Sales Promotion	918,594	1,255,552
Director Sitting Fees	170,226	152,966
Donation	-	100,000
Legal and professional fees	7,854,319	6,320,055
Commission on Sales	88,324	4,207,319
Late Delivery Charges	-	1,166,993
Decrease in Value of Current Investment as per Ind AS	1,472,199	-
Sales Tax & GST	79,240	33,199
STT Paid	602	500
Loss in Foreign Currency transactions	130,783	-
Payment to auditors:		
(a) As auditors:		
Audit fee	125,000	125,000
Tax audit fee	50,000	50,000
(b) In other capacity:		
Certification/review report	30,000	35,000
Freight and Forwarding Charges	1,957,221	1,375,000
Bank Charges & Commission	1,231,341	1,283,158
Miscellaneous Expenses	5,836,354	3,685,543
Total	51,497,902	58,563,342

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 2020-2021 (₹)	As At 2019-2020 (₹)
7,88,243	9,45,697
8,11,294	8,53,754
15,99,537	17,99,451
(78,14,191)	(87,48,786)
(62,14,654)	(69,49,335)

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

2020-2021 (₹)	2019-2020 (₹)
17,60,000	17,60,000
17,60,000	17,60,000
17,60,000	17,60,000
177,63,928	238,68,120
10.09	13.56

34. Related parties disclosures: -

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

- (a) **Associate Cpmpanies/Firms**
Remi Edelstahl Tubulars Limited
Aura Realfinvest Private Limited
Dholishakti International
Rajendra Electricals Motor Industries
Remi Elektrotechnik Limited
Remi International
- (b) **Key Management Personel (KMP)**
Shri Rishabh R.Saraf
Shri Bhagirath Singh- CFO
Shri Amit Kumar Barange - Company Secretary
- (c) **Others**
Non Executive directors

Contd.....2.

Notes to the Standalone Financial Statement for the year Ended March-2021**(₹ In Lakhs)**

Sr. No.	Nature of Transactions	(A) Associates	(B) Key Managerial Personal/Relatives	(C) Others	Total
1.	Purchases of Goods/Services	591.25	--	--	591.25
2.	Sale of Goods / Services	496.45	--	--	496.45
3.	Testing & Job Charges paid	7.61	--	--	7.61
4.	Remuneration to Managerial Personal	--	73.16	--	73.16
5.	Rent Received	46.54	--	--	46.54
6.	Rent Paid	21.00	--	--	21.00
7.	Net Loan and Advances Deposits Given/ (Returned)	1157.95	--	--	1157.95
8.	Sitting Fees paid to Non-Executive Directors	--	--	1.70	1.70
9.	Interest Received	13.56	--	--	13.56
10.	Reimbursement of Expenses Received	12.90	--	--	12.90
11.	Royalty Paid	17.55	--	--	17.55

Balances as on 31st March, 2021.**(₹In Lakhs)**

Sr. No	Nature of Transactions	Associates	Key Managerial Personal/Relatives	Others	Total
1.	Trade Receivable	2.75	--	--	2.75
2.	Loans and Advances	84.55	--	--	84.55
3.	Deposits Received	24.96	--	--	24.96
4.	Trade and Other Payable	0.60	--	--	0.60
5	Deposit Paid	25.00	--	--	25.00

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.

Contd.....3.

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, 2021 (₹)

Contribution to Employees' Provident Fund	19,70,937 (30,32,914)
Total	19,70,937 (30,32,914)

(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, 2020	1,30,57,847 (1,02,97,567)	33,99,342 (50,32,824)	1,64,57,189 (1,53,30,391)
(b) Interest Cost	8,04,330 (7,45,360)	1,94,480 (3,46,769)	9,98,810 (10,92,129)
(c) Past Service Cost	-- (-)	-- (-)	-- (-)
(d) Current Service Cost	10,10,748 (8,44,756)	7,38,145 (7,33,368)	17,48,893 (15,78,124)
(e) Benefits Paid	(6,92,770) ((2,21,625))	(9,49,675) ((8,79,713))	(16,42,445) ((11,01,338))
(f) Actuarial (Gain)/Loss	(10,88,387) (13,91,789)	(2,50,429) ((18,33,906))	(13,38,816) ((4,42,117))
(g) Present Value of Obligation as at March 31, 2021	1,30,91,768 (1,30,57,847)	31,31,863 (33,99,342)	1,62,23,631 (1,64,57,189)

(ii) Changes in the Fair value of Plan Assets:	For the year ended March 31, 2021
	Gratuity (₹)
(a) Present Value of Plan Assets as at April 1, 2020	1,13,82,976 (1,00,86,146)
(b) Expected Return on Plan Assets	7,56,968 (7,61,504)
(c) Actuarial (Gain)/Loss	22,295 ((44,631))
(d) Employers' Contributions	8,49,865 (8,01,582)
(e) Employees' Contributions	-- (-)
(f) Benefits Paid	(6,92,770) ((2,21,625))
(g) Fair Value of Plan Assets as at March 31, 2021	1,23,19,334 (1,13,82,976)

Contd.....4.

- (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, 2021 (₹)

	Gratuity	Leave Encashment	Total
(a) Present Value of Funded Obligation as at March 31, 2021	1,30,91,768 (1,30,57,847)	31,31,863 (33,99,342)	1,62,23,631 (1,64,57,189)
(b) Fair Value of Plan Assets as at March 31, 2021	(1,23,19,334) ((1,13,82,976))	-- (--)	(1,23,19,334) ((1,13,82,976))
(c) Present Value of Unfunded Obligation as at March 31, 2021	-- (--)	31,31,863 (33,99,342)	-- (--)
(d) Net Liability recognized in the Balance Sheet	7,72,434 (16,74,871)	31,31,863 (33,99,342)	39,04,297 (50,74,213)

- (iv) Expenses recognized in the Profit and Loss Account

	Gratuity	Leave Encashment	Total
(a) Current Service Cost	10,10,748 (8,44,756)	7,38,145 (7,33,368)	17,48,893 (15,78,124)
(b) Past Service Cost	-- (--)	-- (--)	-- (--)
(c) Interest Cost	8,04,330 (7,45,360)	1,94,480 (3,46,769)	9,98,810 (10,92,129)
(d) Expected Return on Plan Assets	(7,56,968) ((7,61,504))	-- (--)	(7,56,968) ((7,61,504))
(e) Net actuarial (Gain)/Loss	-- (--)	(2,50,429) ((18,33,906))	(2,50,429) ((18,33,906))
(f) Employees' Contribution	-- (--)	-- (--)	-- (--)
(g) Total Expenses recognized in the Profit and Loss Account	10,58,110 (8,28,612)	6,82,196 ((7,53,769))	17,40,306 (74,843)

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

For the year ended March 31, 2021

	Gratuity	Leave Encashment	Total
(a) Amount recognized in OCI, Beginning of period	16,42,903 (2,06,483)	-- (--)	16,42,903 (2,06,483)
(b) Reimbursement due to:	-- (--)	-- (--)	-- (--)
(c) Effect of Change in financial assumptions [C]	(3,03,960) (8,62,273)	-- (--)	(3,03,960) (8,62,273)
(d) Effect of Change in demographic assumptions [D]	(--) ((4,427))	-- (--)	(--) ((4,427))
(e) Effect of experience adjustments [E]	(7,84,427) (5,33,943)	-- (--)	(7,84,427) (5,33,943)
(f) Actuarial (Gains/Losses) (C+D+E)	(10,88,387) (13,91,789)	-- (--)	(10,88,387) (13,91,789)
(g) Return of Plan assets (excluding interest)	22,295 (44,631)	-- (--)	22,295 (44,631)
(h) Total remeasurements recognized in OCI	(11,10,682) (14,36,420)	-- (--)	(11,10,682) (14,36,420)
(i) Amount recognized in OCI, End of period	5,32,221 (16,42,903)	-- (--)	5,32,221 (16,42,903)

- (vi) Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2021

	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%
(g) Others	--
	(100%)
	--
	(--)

- (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	7,79,263 (7,16,873)

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

Particulars	Gratuity	Leave Encashment
(a) Discount Rate	6.95% (6.65%)	6.95% (6.65%)
(b) Expected Rate of Return on Plan Assets	6.95% (6.65%)	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, 2021
	Defined Benefit Obligation (Base)	1,30,91,768

Sensitivity Analysis	Decrease	Increase
Discount Rate	1,36,05,358	1,26,11,456
Impact of increase/decrease in 50bps on DBO	3.92%	-3.67%
Salary Growth Rate	1,26,40,603	1,35,55,187
Impact of increase/decrease in 50 bps on DBO	-3.45%	3.54%

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 ₹ 5,40,21,268/- (P.Y. ₹ 4,86,86,526/-).
 - b) Sales Tax demands disputed in appeals ₹ 64,84,948/- (P.Y. ₹ 62,81,380/-).
 - c) Liability in respect of Lease rent including interest thereon disputed by the Company ₹ 4,27,50,732/- (P.Y. ₹ 4,02,75,495/-)
 - d) Income tax demand disputed in appeal ₹ 38,66,780/-(Net) (P.Y. ₹ 48,33,480/-)

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 Lacs (P. Y. ₹ 179.06 Lacs), beyond one year to five years ₹ 481.96 Lacs (P. Y. ₹ 416.22 Lacs) and beyond five years ₹ NIL (P. Y. ₹ NIL)

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

	Value (₹)	% of Total Consumption
Imported	45,84,951 (58,20,449)	6.34 (5.98)
Indigenous	6,77,04,782 (9,13,86,264)	93.66 (94.02)
TOTAL	7,22,89,733 (9,72,06,713)	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

	2020-2021 (₹)	2019-2020 (₹)
a)	39,41,337	14,97,939
b)	---	2,59,204
c)	---	2,39,500
	23,06,820	92,466

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/-
(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 : 29TH JUNE, 2021**

**(BHAGIRATH SINGH)
CHIEF FINANCIAL OFFICER**

**(AMIT K. BARANGE)
COMPANY SECRETARY**