

40th Annual Report

2019-20

Remi Sales And Engineering Limited
Regd. Office : REMI House, Plot No.11, Cama Industrial Estate,
Goregaon (East), Mumbai – 400 063

Board of Directors:	Shri Sandeep Kasera Shri Vinod C. Jalan Shri Mahabir Prasad Sharma Smt. Archana Bajaj	Whole-Time Director Director Independent Director Independent Director
Chief Financial Officer:	Shri Paras Bafna	
Company Secretary:	Ms Kusum Parek	
Bankers	STATE BANK OF INDIA	
Auditors:	Mr. Yatin Kumar Shah Chartered Accountant, 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:	L31100MH1980PLC022314	
Sales & Service Branches:	Ahmedabad, Bangaluru, Chennai, Goa, Hyderabad, Indore, Kanpur, Kochi, Kolkata, Mumbai, Nagpur and New Delhi	
Wind Power:	Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra	

NOTICE

To
The Members,
REMI SALES AND ENGINEERING LIMITED

NOTICE is hereby given that the 40th Annual General Meeting of the Company will be held on **Wednesday**, the **30th September, 2020**, at **3.00 P.M** (IST) via two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM') to transact the following businesses:

Ordinary Business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Shri Vinod C. Jalan (DIN:00087424) as Director, who retires by rotation.

By order of the Board
For **REMI SALES AND ENGINEERING LTD.**

Regd. Office

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

Date: 26th August, 2020.

Sd/-

SANDEEP KASERA
WHOLE-TIME DIRECTOR
DIN : 00156800

NOTES:

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

7. Green Initiative :

Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can now register the same to the Company by sending email at rse_igrd@remigroup.com or by submitting a duly filled in "E-mail Registration Form" available on the website of the Company, or to M/s. Bigshare Services Private Limited or with the concerned depositories.

YOUR INITIATIVE WILL SAVE FOREST WEALTH OF OUR COUNTRY.

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

12. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC**

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

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

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

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

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

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

Details on Step 1 is mentioned below:

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

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

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

4. Your User ID details are given below

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
9. **Procedure for E- Voting on the day of the AGM:**
 - i. Only those members who will be present in the AGM through VC / OAVM facility and have not cast their Vote on the Resolutions by remote e-voting prior to the AGM shall be entitled to cast their vote through e-voting system at the AGM.
 - ii. The procedure for e-voting on the day of the AGM is the same as the instructions mentioned above for remote e-voting.

General Guidelines for shareholders

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

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

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

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

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

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

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

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

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

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

Your Directors commend the resolutions for your approval.

DIRECTORS' REPORT

To
The Members,
REMI SALES AND ENGINEERING LIMITED

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

(Rs. in Lakhs)

Financial Results	2019 – 2020		2018 – 2019	
Sales	<u>13784.19</u>		<u>13842.88</u>	
Profit before Finance Costs, Depreciation and Tax (EBIDTA)	675.73		792.40	
Finance Costs	11.65	12.15		
Depreciation	46.75	46.06		
Taxation	139.42	197.83	192.55	250.76
Net Profit/(Loss)	477.90		541.64	
Other comprehensive income	(13.35)		(22.25)	
Net Profit (including other comprehensive income)	464.55		519.39	
Balance brought forward	<u>2787.38</u>		<u>2342.99</u>	
	3251.93		<u>2862.38</u>	
Appropriations				
Transfer to General Reserve	100.00		75.00	
Net surplus in the statement of Profit & Loss	<u>3151.93</u>		<u>2787.38</u>	
	3251.93		2862.38	

OPERATIONS :

The Company achieved turnover of Rs.13784.19 Lakhs during the year as against Rs.13842.88 Lakhs in the previous year. The Working of the Company has resulted in the net profit of Rs.477.90 Lakhs as compared to profit of Rs.541.64 Lakhs during previous year. The operations of the Company suffered in the Month of March, 2020, due to nationwide lockdown in view of Covid-19 pandemic. The operations of the Company have been started gradually from end of May, 2020.

During the year, the Company transferred a sum of Rs.100.00 Lakhs to the General Reserve. 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.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As stipulated under Section 135 of the Companies Act, 2013 the Company has constituted 'Corporate Social Responsibility Committee' (CSR Committee) comprising of Shri Mahabir Prasad Sharma (DIN:00175393), Chariman, Shri Vinod C. Jalan (DIN:00087424) and Shri Sandeep Kasera (DIN: 00156800).

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

DIRECTORS:

BRIEF DETAILS OF DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT:

Shri Vinod C. Jalan (DIN:00087424) retires by rotation and is to be re-appointed. The brief profile is stated in the Corporate Governance Report.

Shri Vinod Jalan (64), a graduate, having vast experience in the field of manufacturing, production, trading and various other areas related to operations. He has work experience of more than 35 years in this field. His involvement with the Company is beneficial to the Company and stakeholders. He was first appointed on the Board of Directors w.e.f. 31/01/2006. He is on Board of Vishwakarma Jobworks Ltd., Omkareshwar Realities & Services Pvt. Ltd., Hanuman Power Transmission Equipments Pvt. Ltd., and Anurag Investments Pvt. Ltd. He attended 5 (Five) board meetings during the year 2019-20.

KEY MANAGERIAL PERSONNEL(KMP)

During the year Ms. Kusum Parek appointed as Company Secretary and Compliance Officer, Key Managerial Personnel (KMP) of the Company w.e. from 24th January, 2020 in place of Mr. Prakash Darak, who has resigned from the services of the Company. w.e.f. December 31, 2019.

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. There is no relationship between the Directors inter-se.

BOARD MEETINGS:

During the year, 5 (Five) Board meetings were held, with gap between Meetings not exceeding the period prescribed under the Act. Details of Board and Committee meetings held during the year are given in the Corporate Governance Report.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

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

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.

AUDITORS:

Shri Yatin Kumar Shah (Membership No.159796) Chartered Accountant was appointed as the statutory auditor of the Company for a term of consecutive five years i.e. from the conclusion of the 37th annual general meeting till the conclusion of the 42nd Annual General Meeting by the shareholders of the Company. He has confirmed that they are not disqualified from continuing as auditor of the Company.

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

SECRETARIAL AUDITOR:

Shri Kamlesh Rajoria, Practicing Company Secretary, Kamlesh Rajoria & Associates, was appointed to conduct the secretarial audit of the Company for the financial year 2020-21, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial

audit report for FY 2019-20 forms part of the Annual Report as “Annexure - B” to the Board's report. There is no qualification, reservation or adverse remark in the report.

LOANS, GUARANTEES OR INVESTMENTS:

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

RELATED PARTY TRANSACTIONS:

Pursuant to provisions of The Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board has formulated Policy on Related Party Transactions and the same is available on the website of the Company at www.remigroup.com. 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 36 to the 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:

All efforts are being made to conserve energy.

- i. the steps taken or impact on conservation of energy;
- ii. the steps taken by the company for utilising alternate sources of energy;
- iii. the capital investment on energy conservation equipments;

(B) Technology absorption:

- i. the efforts made towards technology absorption;
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution;
- 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;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development

The Company is not a manufacturing company; hence the particulars relating to conservation of energy and technology absorption are not applicable. However the Company has installed one Windmill to generate green power.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earnings :	Nil
Outgo :	Rs.141.44 Lakhs

AUDIT COMMITTEE:

The Audit Committee comprises of Shri Mahabir Prasad Sharma, Shri Sandeep Kasera and Smt. Archana Bajaj.

RISK MANAGEMENT:

The Company has laid down a risk management policy identifying Business Risk and Insurance 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, etc.

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.

Code of Conduct for Directors and Senior Management Personnel

Company has received a declaration of compliance with the Code of Conduct from Directors and Senior Management Personnel. The declaration by the CEO & Managing Director affirming compliance of the Board of Directors and Senior Management Personnel to the Code of Conduct is appended to this Report.

EXTRACT OF THE ANNUAL RETURN:

The extract of the Annual Return in form MGT-9 is placed on the Company's website at www.remigroup.com.

MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule, 5(1) & 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a. in the preparation of the annual accounts for the year ended 31st March 2020, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March 2020 and of the profit of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts/ financial statements on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls are adequate and were operating effectively ; and
- f. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPRECIATION:

Your Directors appreciate the faith you have reposed in the Company and are confident that the Company can depend upon your continued support in its endeavour to grow.

ON BEHALF OF THE BOARD

Registered Office:

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

Dated: 26th August, 2020

Sd/-

SANDEEP KASERA
WHOLE-TIME DIRECTOR
DIN : 00156800

MANAGEMENT DISCUSSION AND ANALYSIS:

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

The present time is challenging due to outbreak of Covid-19 pandemic, trade barriers, trade wars between USA and China and slow down in Europe due to Brexit etc. and consequently fall in demand of commodities and prices.

Volatility in price of raw materials can have a direct bearing on the Company's margin as the buyers are price sensitive and may react to price fluctuations. The revenue of the electrical motor division are expected to be under stress due to de-growth in user industries and capital goods industry which is the main consumers. The revenue of the electrical fan division has affected during the year. The Laboratory Instrument Division has able slightly improved and is expected to perform well during the current year and improve in future due to focus of the Central and State Governments on the health sector to control covid-19 pandemic and to improve health services.

b) Internal Control Systems and their adequacy:

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

c) Financial Performance:

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

d) Human Resources/ Industrial Relations:

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

e) Cautionary Statement:

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

f) 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.

g) Change In Return on Net Worth

The return on Net worth for the financial year 2019-20 has reduced to 10.34 % from 12.90 % on account of decreasing in demand and severe competition due to slow down in economy as a whole during the year.

CORPORATE GOVERNANCE

1. COMPANY'S BASIC PHILOSOPHY:

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

2. BOARD OF DIRECTORS:

During the year, the Board of Directors met 7 (Seven) times on 08/04/2019, 30/05/2019, 14/08/2019, 14/11/2019, 27/01/2020, 14/02/2020 and 25/02/2020.

COMPOSITION AND CATEGORY OF DIRECTORS:

Name of Director	Category	Attendance Particulars		Other Boards		
		Annual General Meeting	Board Meetings	Director - ship	Committee Chairmanship	Committee Membership
Shri Sandeep Kasera	Executive	Yes	4	2	--	2
Shri Vinod C. Jalan	Non-Executive	Yes	7	4	--	1
Shri Mahabir Prasad Sharma	Independent Non-Executive	Yes	7	4	2	2
Smt. Archana Bajaj	Independent Non-Executive	No	7	1	--	1

CATEGORY AND OTHER DIRECTORSHIP IN OTHER LISTED ENTITIES

Name of Director	Name of the Company	Category of Directorship
Shri Mahabir Prasad Sharma	Bajrang Finance Ltd.	Whole-Time Director
Smt. Archana Bajaj	Remi Elektrotechnik Limited	Independent Director
Shri Vinod C. Jalan and Shri Sandeep Kasera are not director in any other listed Company except Remi Sales And Engineering Ltd.		

3. CORE SKILLS / EXPERTISE /COMPETENCIES AVAILABLE WITH THE BOARD

The Board comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees. The Company has a competent Board having Leadership / Operational experience, skills of Strategic Planning, Industry Experience, Trading experience, Financial, regulatory, Legal & Risk Management, Corporate Governance and also finance, accounts and general administration. These skills, expertise and competence have been identified for the effective functioning of the Company and are currently available with the Board.

Name of Director	General Economic	Corporate Governance	Business Mgmt and Strtaegy leadership/	Industry knowledge/ technology /	Finance , accounts , taxation , risk and Corporate laws	Mfg quality / supply chain	Sales and marketing
Shri S. Kasera	√	√	√	√	√	√	√
Shri V.C.Jalan	√	√	√	√	√	√	√
Shri M.P.Sharma	√	√	√	√	√	√	√
Smt. A.P.Bajaj	√	√		√	√		

4. **AUDIT COMMITTEE:**

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

The functions of the audit committee include:

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

Attendance of the members at the Audit Committee Meetings held during 2019-2020.

Committee Members	Designation	No. of Meetings	
		Held	Attended
Shri Mahabir Prasad Sharma	Chairman	4	4
Shri Sandeep Kasera	Member	4	4
Smt. Archana Bajaj	Member	4	4

The Company Secretary of the Company, Ms. Kusum Parek acts as a secretary of the Committee.

5. **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee Comprise of Shri Vinod C. Jalan, Shri M.P. Sharma (Chairman) and Smt. Archana Bajaj, three non-executive directors and provides assistance to the Board of Directors in fulfilling its responsibilities.

Committee Members	Designation	No. of Meetings	
		Held	Attended
Shri Vinod C. Jalan	Member	2	2
Shri Mahabir Prasad Sharma	Chairman	2	2
Smt. Archana Bajaj	Member	2	2

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

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

The remuneration policy is as below:

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

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

- composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business; balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest;
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

6. REMUNERATION TO DIRECTORS:

(Rs. in Lakhs)

NAME	DESIGNATION	SALARY	COMMISSION	SITTING FEES
Shri Sandeep Kasera	Executive	62.76	-	-
Shri Vinod C. Jalan	Non-Executive	-	-	0.14
Shri Mahabir Prasad Sharma	Independent Non-Executive	-	-	0.10
Smt. Archana Bajaj	Independent Non-Executive	-	-	0.14

7. STAKEHOLDERS RELATIONSHIP COMMITTEE:-

The Members of the Committee comprise of Shri Mahabir Prasad Sharma, Shri Vinod C. Jalan and Shri Sandeep Kasera. Shri Mahabir Prasad Sharma is the Chairman of the Committee. Ms. Kusum Parek, Company Secretary, is Compliance Officer of the Company. The terms of reference of the Committee are as contained under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company had not received any complaints during the year 2019-20.

8. **GENERAL BODY MEETINGS:**

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

DATE	VENUE	TIME	NO. OF SPECIAL RESOLUTIONS
28/09/2017	Plot No.11, Cama Industrial Estate, Goregaon (E), Mumbai – 400 063	1.30 P.M.	--
29/09/2018	- do -	3.00 P.M.	One
30/09/2019	- do -	3.00 P.M.	Two

9. **POSTAL BALLOT:**

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

10. **DISCLOSURES:**

Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.	:	Transactions with related parties are disclosed in Note No.34 to the accounts. These transactions are not in conflict with the interests of the Company
Details of non-compliances by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.	:	--
Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.	:	The Company has complied with all mandatory requirements of Corporate Governance and other requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as applicable from time to time.

11. **DETAILS OF FEES PAID TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/ NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:**

Particulars		Amount (in Rs.)
Audit fees	:	5,53,595.00
Certification fees	:	1,49,541.00

12. **CREDIT RATING**

CRISIL has reaffirmed its Rating outlook on the Long term (Fund based) facilities for Rs.6.75 crores as CARE BBB -; Stable and has reaffirmed the Short term (non-fund based) facilities for Rs.1.65 Crores as CARE A3.

13. **PERFORMANCE EVALUATION OF INDEPENDENT DIRECTOR BOARD, COMMITTEES AND DIRECTORS:**

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

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

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

14. INDEPENDENT DIRECTOR'S FAMILIARISATION PROGRAMME:

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

http://remigroup.com/share_holder/rse1/FAMILIARISATION%20PROGRAMMES%20OR%20INDEPENDENT%20DIRECTORS.pdf

15. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:

Name of Directors	Shareholding (Nos.)
Shri Vinod C. Jalan	--
Shri Mahabir Prasad Sharma	100
Smt. Archana Bajaj	--

16. BRIEF DETAILS OF DIRECTORS/ KEY MANAGERIAL PERSONNEL(KMP) SEEKING APPOINTMENT / RE APPOINTMENT:

Shri Vinod C. Jalan (DIN:00087424) retires by rotation and is to be re-appointed.

Shri Vinod Jalan (64), a graduate, having vast experience in the field of manufacturing, production, Trading and various other areas related to operations. He has work experience of more than 35 years in this field. His involvement with the Company is beneficial to the Company and stakeholders. He was first appointed on the Board of Directors w.e.f. 31/01/2006. He is on board of Vishwakarma Jobworks Ltd., Omkareshwar Realities & Services Pvt. Ltd., Hanuman Power Transmission Equipments Pvt. Ltd., and Anurag Investments Pvt. Ltd. He attended 5 (Five) board meetings during the year 2019-20.

A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority is enclosed herewith as **Annexure C**. There is no relationship between the Directors inter-se.

KEY MANAGERIAL PERSONNEL(KMP)

During the year Ms. Kusum Parek appointed as Company Secretary and Compliance Officer, Key Managerial Personnel (KMP) of the Company w.e. from 24th January, 2020 in place of Mr. Prakash Darak, who has resigned from the services of the Company. w.e.f. December 31, 2019.

17. 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

18. **MEANS OF COMMUNICATION:**

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

19. **GENERAL SHAREHOLDER INFORMATION:**

The 40th Annual General Meeting of the Company will be held on **Wednesday, the 30th September, 2020**, at 3.00 P.M via two-way Video Conferencing ('VC') facility or other audio visual means ('OAVM').

The Financial year of the Company is from 1st April, 2019 to 31st March, 2020.

The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday, the 23rd September, 2020** to **Monday, the 30th September, 2020**, both days inclusive.

➤ **Listing on Stock Exchange:**

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited	504360

➤ **Market Price Data:**

➤ There was no trading in equity shares of the Company during the FY 2019-20 on the Stock Exchange.

➤ **Registrar and Transfer Agents:**

Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, (Next to Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059.

Ph. No.:022-62638200 Fax No.:022- 62638299

Email: investor@bigshareonline.com, Website: www.bigshareonline.com

➤ **Share Transfer system:**

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

➤ **Distribution of Shares:**

Distribution of Shareholding as on 31st March, 2020.

SHAREHOLDING OF NOMINAL (SHARES)	NO. OF SHAREHOLDERS	% OF TOTAL	SHARE	% OF TOTAL
1 – 500	114	89.76	6800	1.19
501 – 5000	1	0.79	4150	0.73
5001 & Above	12	9.45	559250	98.08
TOTAL :	127	100	570200	100.00

Categories of Shareholders as on 31st March, 2020

CATEGORY	NO OF HOLDERS	NO OF SHARES	% OF TOTAL SHARE HOLDING
Individuals	116	115099	20.19
Companies	11	455101	79.81
FII's, NRIs & OCBs	--	--	--
Mutual Funds, Banks & FIs	--	--	--
TOTAL :	127	570200	100.00

➤ **Dematerialization of Shareholding:**

As on 31st March, 2020, 564144 equity shares constituting 98.94% have been dematerialized.

➤ **Plant Location:**

Wind Mill is located at Village Brahmanwel, Taluka Sakri, District Dhule, Maharashtra.

➤ **Branches:**

The Company is having branches at New Delhi, Chennai, Kolkata, Hyderabad, Secunderabad, Ahmedabad, Bengaluru, Indore, Goa, Kanpur, Kochi, Nagpur.

➤ **Address for Correspondence:**

<u>Registered & Corporate Office:</u> Remi Sales and Engineering Limited REMI HOUSE, Plot No. 11, Cama Industrial Estate, Goregaon (E) Mumbai – 400 063 Ph. No. 022-4058 9888 Fax No. 022-26850888 Email: rse_igrd@remigroup.com	<u>Registrar and Share Transfer Agent:</u> Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next to Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059. Ph. No.:022-62638200 Fax No.:022-62638299 Email: investor@bigshareonline.com
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ON BEHALF OF THE BOARD

Sd/-

Place: Mumbai

Dated: 26th August, 2020

SANDEEP KASERA
WHOLE-TIME DIRECTOR
DIN : 00156800

CERTIFICATE OF CORPORATE GOVERNANCE

The Members,
REMI SALES AND ENGINEERING LIMITED

I have examined the compliance of conditions of Corporate Governance by **REMI SALES AND ENGINEERING LIMITED**, (L31100MH1980PLC022314) for the year ended on **March 31, 2020** as stipulated in Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as applicable from time to time, entered by the Company with BSE Limited, Mumbai.

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

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Regulation.

I state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the stakeholders Relationship Committee of the Company.

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

**FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANT,**

Sd/-

**(YATIN KUMAR SHAH)
PROPRIETOR
MEMBERSHIP NUMBER: 159796**

PLACE : MUMBAI
DATED : 18TH AUGUST, 2020

DECLARATION REGARDING CODE OF CONDUCT

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

FOR REMI SALES AND ENGINEERING LIMITED

Sd/-

**(SANDEEP KASERA)
WHOLE-TIME DIRECTOR
DIN: 00156800**

PLACE : MUMBAI
DATED : 26TH AUGUST, 2020

REMI SALES AND ENGINEERING LIMITED

Annual Report on Corporate Social Responsibility (CSR) Activities - 2019-20

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

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has adopted the CSR Policy in line with the Schedule VII of the Section 135 of the Companies Act, 2013. The Company has undertaken Education, Environment, health and Medical programs. The CSR policy is available on the website of the Company : http://www.remigroup.com/
2.	The Composition of the CSR Committee	Shri Mahabir Prasad Sharma Shri Vinod C. Jalan Shri Sandeep Kasera
3.	Average net profit of the company for last three financial years	Rs.4,65,43,435/-
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs.9,30,870/-
5.	Details of CSR spent during the financial year 2019-20 : (a) total amount to be spent for the financial year; (b) amount unspent, if any; (c) Manner in which the amount spent during the financial year ;	Rs.9,30,870/- Nil The Company has contributed Rs.9,30,870/-towards corpus to Smt. Mohridevi Kishandutt Saraf Trust, a Charitable Trust, and the said Trust has track record of more than three years in the field of Education, Environment, health and Medical programs which are the permitted activities under Schedule VII of the Section 135 of the Companies Act, 2013.
6.	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	N.A.
7.	The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.	
Sd/- Sandeep Kasera Whole-Time Director DIN : 00156800		Sd/- Mahabir Prasad Sharma Chairman CSR Committee DIN : 00175393

Form No. MR-3
Secretarial Audit Report

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

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

To,
The Members
REMI SALES AND ENGINEERING LIMITED
CIN: L31100MH1980PLC022314
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 SALES AND ENGINEERING LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **REMI SALES AND ENGINEERING LIMITED** ("The Company") for the Financial year ended on **31st March, 2020** according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**not applicable to the Company during audit period**);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**not applicable to the Company during audit period**);

Contd.... 2

(2)

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

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited,

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

I further report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors during the period under review.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

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

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

V M MEHRA & ASSOCIATES

Sd/-

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

**Place : Mumbai
Date : 20th August, 2020**

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015: (LODR) in respect of **Remi Sales And Engineering Limited** (L31100MH1980PLC022314), I hereby certify that:

On the basis of the written representation/ declaration received from the directors and taken on record by the Board of Directors as on March 31, 2020, none of the directors on the board of company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority.

**For Kamlesh Rajoria & Associates
Company Secretaries**

Sd/-

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

**Date : 17.08.2020
Place : Mumbai**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REMI SALES AND ENGINEERING LIMITED

Report on the standalone Financial Statements

Opinion

I have audited the financial statements of **REMI SALES AND ENGINEERING LIMITED** (“**the Company**”), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements'). These consolidated financial statements have been prepared after considering financial statement of Head office at Mumbai and Branches situated at Ahmedabad, Bangaluru, Kolkata, New Delhi, Hyderabad, Vijayawada, Chennai, Nagpur, Kochi, Kanpur, Indore, Margao (Goa) and Jaipur. The report on the accounts of the branch office stated above have been audited by branch auditors which were forward to me and have been dealt with in preparing my report in the manner considered necessary by me.

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

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

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have determined that there are no key audit matters to communicate in my 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.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, than I have required to report that fact. I 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

My 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 my 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'), I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

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, I 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, I report that:
 - a. I 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 my 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 accounts;
 - d. In my 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 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019, 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 my separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in my opinion and to the best of my information and according to the explanations given to me :
 - 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 YATIN KUMAR SHAH,
CHARTERED ACCOUNTANT**

Sd/-

**(YATIN KUMAR SHAH)
SOLE PROPRIETOR
Membership. No. 159796**

**Place: Mumbai
Date : 18th August, 2020**

ANNEXURE 'A' TO THE AUDITORS' REPORT

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to me, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets. To the best of my knowledge, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of Company.
- (ii) According to the information and explanations given to me, physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to me, the Company has not granted any secured or unsecured loans to Companies/Firm/Limited Liability Partnerships/Other Persons covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to me, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- (v) In my opinion and according to the information and explanations given to me, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and provisions of the Companies Act, 2013 and rules framed there under are not attracted.
- (vi) I have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and I am of the opinion that prima facie the prescribed accounts and records have been made and maintained. I have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations provided to me, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Duty of Customs, Duty of excise, Service Tax, Value Added Tax, GST Cess and other statutory dues as applicable to it with appropriate authorities and there were no undisputed arrears as at 31st March, 2020 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to me, the particulars of dues of Income tax, Sales Tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax and GST Cess as at 31st March, 2020, which have not been deposited on account of a dispute, are as follows: -

Sr. No.	Name of the Statute	Assessment Year	Nature of dues & Period	Amount –in Rupees	Form where dispute is pending
1	The Kerala Value Added Tax, 2005	2010-11	VAT	87,017	The Dy. Commissioner (Appeals)
2	Income tax Act 1961	2011-12	Income Tax & Interest	1.03,523	The Commissioner of Income tax (Appeal)
3	Income tax Act 1961	2015-16	Income Tax & Interest	65,42,710	The Commissioner of Income tax (Appeal)
4	Income tax Act 1961	2016-17	Income Tax & Interest	88,66,012	The Commissioner of Income tax (Appeal)
5	Income tax Act 1961	2017-18	Income Tax & Interest	52,64,129	The Commissioner of Income tax (Appeal)

- (viii) In my opinion and according to the information and explanations given to me, the Company has not defaulted in repayment of dues to a financial institutions, banks, Government or debenture holders.

Contd.....3.

- (ix) The Company has not raised any money by way of initial public offer or further public offer, including debt instruments and term loans in the year under review.
- (x) To the best of my knowledge and belief and according to the information and explanations given to me, no fraud on or by the Company has been noticed or reported during the course of my audit.
- (xi) In my opinion and according to information and explanations given to me, the Company paid or provided managerial remuneration with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In my opinion and according to the information and explanations given to me, the Company is not a Nidhi Company. Accordingly, paragraph 3(XII) of the order is not applicable.
- (xiii) In my opinion and according to the information and explanations given to me, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In my opinion and according to the information and explanations given to me, the Company has not entered to any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS**

Sd/-

**(YATIN KUMAR SHAH)
SOLE PROPRIETOR
Membership Number 159796**

PLACE : MUMBAI
DATED : 18TH AUGUST, 2020

ANNEXURE - “B” TO THE AUDITORS’ REPORT

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

I have audited the internal financial controls over financial reporting of Remi Sales and Engineering Limited (“the Company”) as of 31st March 2020 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS**

Sd/-

**(YATIN KUMAR SHAH)
SOLE PROPRIETOR
Membership Number 159796**

PLACE : MUMBAI
DATED : 18TH AUGUST, 2020

REMI SALES AND ENGINEERING LIMITED
BALANCE SHEET AS AT 31st MARCH 2020

Particulars	Notes	AS AT	AS AT
		31-03-2020	31-03-2019
(Amount in Rs.₹)			
I. ASSETS:			
(1) Non-Current Assets			
Property, Plant and Equipment	2	29,544,500	26,042,100
Other Intangible Assets		146,010	119,251
Investment in Property	3	85,022,474	86,412,687
Financial Assets			
Investments	4	204,316,239	108,117,745
Others	5	9,685,681	10,481,463
		328,714,904	231,173,246
(2) Current Assets			
Inventories	6	83,884,054	78,901,355
Financial Assets			
Investments	7	73,490,860	76,311,457
Trade Receivable	8	282,421,241	318,616,138
Cash and cash equivalents	9	8,736,325	7,612,634
Bank Balances other than above	10	2,467,216	12,989,325
Loans	11	3,543,108	10,000,000
Others Current Assets	12	23,274,972	8,298,976
		477,817,776	512,729,885
Total Assets		806,532,680	743,903,131
II. EQUITY AND LIABILITIES :			
(1) Equity :			
Equity Share Capital	13	5,702,000	5,702,000
Other Equity	14	443,413,199	396,958,149
		449,115,199	402,660,149
(2) Liabilities :			
Non-current liabilities			
Other non current liabilities	15	22,331,291	20,204,816
Deferred tax liabilities (Net)		3,548,297	5,433,417
		25,879,588	25,638,233
Current liabilities			
Financial liabilities			
Borrowings	16	19,051,063	22,053,075
Trade payable to Micro & Small Enterprises -	17	46,756,772	74,511,433
Trade Payable to Other than Micro & Small Enterprises		200,442,735	171,649,297
Other Financial Liabilities	18	28,004,919	31,049,547
Other Current Liabilities	19	32,182,850	14,448,351
Provisions	20	5,099,554	1,893,046
		331,537,893	315,604,749
Total Equity and Liabilities		806,532,680	743,903,131

SIGNIFICANT ACCOUNTING POLICIES

1

Notes are integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE

FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF BOARD

Sd/-

(YATIN KUMAR SHAH)
SOLE PROPRIETOR
Membership No.159796

Sd/-

(Sandeep Kasera)
Whole Time Director
DIN : 00156800

Sd/-

(Vinod Jalan)
Director
DIN : 00087424

Sd/-

Paras Bafna
Chief Financial Officer

Sd/-

Kusum Parek
Company Secretary

PLACE : MUMBAI
DATE : 18TH AUGUST, 2020

REMI SALES AND ENGINEERING LIMITED

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

Particulars	Notes	Year Ended	Year Ended
		31-03-2020	31-03-2019
(Amount in Rs.₹)			
I. Revenue from Operations	21	1,378,418,518	1,384,288,080
II Other Income	22	23,396,288	16,501,064
III Total Revenue (I +II)		1,401,814,806	1,400,789,144
IV <u>Expenses:</u>			
Purchases	23	1,089,198,039	1,087,030,153
Changes in inventories	24	(4,982,699)	1,029,687
Employee Benefit Expenses	25	140,043,517	125,514,473
Other Expenses	26	109,983,021	107,974,104
Depreciation and amortization of expenses		4,675,432	4,606,297
Finance Costs	27	1,165,463	1,215,326
Total Expenses		1,340,082,773	1,327,370,040
V Profit before Tax (III - IV)		61,732,033	73,419,104
VI <u>Tax Expense:</u>			
(a) Provision for Current Taxation		14,521,528	19,796,000
(b) Provision for Deferred Tax (Credit)		(579,353)	(540,968)
VII Profit/ (Loss) for the Period (V-VI)		47,789,858	54,164,072
VIII Other Comprehensive Income (Net of Tax)		(1,334,808)	(2,225,068)
IX Income for the Period		46,455,050	51,939,004
X Earning per Equity Share [Nominal Value of Share Rs. 10]			
(1) Basic		83.81	94.99
(2) Diluted		83.81	94.99

SIGNIFICANT ACCOUNTING POLICIES

1

Notes are integral part of these financial statements.

AS PER OUR REPORT OF EVEN DATE
FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF BOARD

Sd/-

(YATIN KUMAR SHAH)
SOLE PROPRIETOR
Membership No.159796

Sd/-

(Sandeep Kasera)
Whole Time Director
DIN : 00156800

Sd/-

(Vinod Jalan)
Director
DIN : 00087424

Sd/-

Paras Bafna
Chief Financial Officer

Sd/-

Kusum Parek
Company Secretary

PLACE : MUMBAI
DATE : 18TH AUGUST, 2020

REMI SALES AND ENGINEERING LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020.

	2019-20	2018-19
	(In Rupees)	(In Rupees)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	61732033	73,419,104
Adjustment for :		
Depreciation	4675432	4,606,297
Finance Cost	1165463	1,215,326
Profit on sale of Fixed Assets	(100925)	-
Long term Capital Gain	(412245)	(552,918)
Short term Capital Gain	(299856)	(2,573,684)
Dividend Income	(4822670)	(2,385,514)
Other Interest Income	(9165559)	(2,645,102)
Other Income	(8,595,033)	(8,343,846)
	44,176,640	62,739,663
Operating profit before working capital changes		
Adjustment for :		
Trade and other receivables	36962052	(12,089,619)
Inventories	(4,982,699)	1,029,687
Trade payable and provision	19176511	(8,019,845)
Cash Generated from Operations	95,332,504	43,659,886
	(14,521,528)	(19,796,000)
Direct tax paid	(14,521,528)	(19,796,000)
Net Cash from Operating Activities (A)	80,810,976	23,863,886
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(7030905)	(783,977)
Sale of Fixed Assets	317452	-
Sale of Investments	107,853,471	214,550,102
Purchase of Investments	(200,312,841)	(262,931,691)
Dividend Income	4,822,670	2,385,514
Interest Income	9,165,559	2,645,102
Other Income	8,388,607	8,081,339
Net cash used in Investing Activities (B)	(76,795,987)	(36,053,611)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	-
Repayment of long term loans	-	-
Interest paid	(1,165,463)	(1,215,326)
Repayment of short term loans	(3,002,012)	13,544,067
Net cash used in Financing Activities (C)	(4,167,475)	12,328,741
Net increase in Cash and Cash Equivalents (A+B+C)	(152,486)	139,016
Cash & Cash Equivalents as at (Closing Balance)	653560	806,046
Cash & Cash Equivalents as at (Opening Balance)	806046	667,030
Net Increase/Decrease in Cash and Cash Equivalents	(152,486)	139,016

NOTES :

- The Cash Flow has been prepared under the ' Indirect Method ' as setout in Accounting Standard-3 on Cash Flow Statement notified by the Companies (Accounting Standards) Rules, 2006.
- Figures in brackets represent Outflow.

**AS PER OUR REPORT OF EVEN DATE
FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF BOARD

Sd/-

**(YATIN KUMAR SHAH)
SOLE PROPRIETOR
Membership No.159796**

Sd/-

**(Sandeep Kasera)
Whole Time Director
DIN : 00156800**

Sd/-

**(Vinod Jalan)
Director
DIN : 00087424**

**PLACE : MUMBAI
DATE: 18TH AUGUST, 2020**

Sd/-

**Paras Bafna
Chief Financial Officer**

Sd/-

**Kusum Parek
Company Secretary**

REMI SALES AND ENGINEERING LIMITED
Notes on Financial Statements for the year ended 31st March, 2020.

Corporate Information

REMI Sales & Engineering Limited is Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having Corporate Identity Number L3100MH1980PLC022314. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in Trading business of Electrical Motors, Laboratory Equipments, Fans, Electrical Goods, Steel Goods and Wind Power Producer. The principal place of business of the company is at Remi House, 11, Cama Industrial Estate, Goregaon East, Mumbai, Maharashtra.

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 Expenditure on assets not exceeding threshold limit are charged to revenue.
- 1.2.5 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.
- 1.2.6 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.

- 1.2.7 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.
- 1.2.8 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).

1.3. 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 stock in trade have been valued "At cost" or net realizable value whichever is less arrived at on FIFO basis.
- 1.8.2 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

Sales are net of GST, sales returns, claims and discount etc.

Revenue from sale of goods 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 removal of goods.

1.9.2 Claims are recognized on settlement. Export incentives are accounted on accrual basis.

1.9.3 Interest income is recognized using Effective Interest Rate (EIR) method.

1.10 Classification of Income/ Expenses

1.10.1 Income/ expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

1.10.2 Prepaid expenses up to threshold limit in each case, are charged to revenue as and when incurred.

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 expense at 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 (except for long term foreign currency monetary items outstanding as of 31st March 2016) 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 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.13.4 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.

- 1.13.5 Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.
- 1.13.6 Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

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.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of 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.

NOTE - 2

REMI SALES AND ENGINEERING LIMITED

FIXED ASSETS :

Description of Assets	Years	Gross Block				Depreciation Block				Net Block	
		As at	Additions	Deduction	As at	Up to	Provided	Deduction	Up to	As at	As at
		1.04.19	During yr.	During yr.	31.03.20	31.03.19	During Yr.	During yr.	31.03.20	31.03.20	31.03.19
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
A TANGIBLE ASSETS											
Office Premises	60										
Buildings	30	6,373,439	-	-	6,373,439	726,129	201,826	-	927,955	5,445,484	5,647,310
Wind Mill	22	35,535,453	1,498,000	-	37,033,453	22,122,222	1,374,354	-	23,496,576	13,536,877	13,413,231
Plant & Machinery	15	12,405	-	-	12,405	11,606	178	-	11,784	621	799
Dies & Moulds	10	4,458,095	-	-	4,458,095	2,351,822	350,375	-	2,702,197	1,755,898	2,106,273
Air Conditioners	10	677,402	20,313	-	697,715	436,444	48,060	-	484,504	213,211	240,958
Testing Equipments	10	8,147	-	-	8,147	6,272	607	-	6,879	1,268	1,875
Generator	10	116,950	-	-	116,950	111,105	-	-	111,105	5,845	5,845
Furniture & Fixture	10	5,218,780	69,050	-	5,287,830	3,584,375	291,003	-	3,875,378	1,412,452	1,634,405
Electrical Installations	10	383,135	-	-	383,135	263,548	13,725	-	277,273	105,862	119,587
Two Wheelers	10	75,818	-	-	75,818	72,085	-	-	72,085	3,733	3,733
Motor Car	8	3,457,940	5,087,912	1,522,544	7,023,308	1,886,377	504,877	1,306,017	1,085,237	5,938,071	1,571,563
Office Equipments	5	2,075,055	27,650	-	2,102,705	1,683,571	96,361	-	1,779,932	322,773	391,484
Computers	3	6,192,968	267,980	-	6,460,948	5,287,931	370,612	-	5,658,543	802,405	905,037
Sub Total (A)		64,585,587	6,970,905	1,522,544	70,033,948	38,543,487	3,251,978	1,306,017	40,489,448	29,544,500	26,042,100
B INTANGIBLE ASSETS											
Computer Software	6	497,263	60,000	-	557,263	378,012	33,241	-	411,253	146,010	119,251
Sub Total (B)		497,263	60,000	-	557,263	378,012	33,241	-	411,253	146,010	119,251
Grand Total (A+B)		65,082,850	7,030,905	1,522,544	70,591,211	38,921,499	3,285,219	1,306,017	40,900,701	29,690,510	26,161,351
PREVIOUS YEAR		64,438,248	786,237	141,635	65,082,850	35,844,790	3,158,190	139,375	38,863,605	26,219,245	28,593,458

REMI SALES AND ENGINEERING LIMITED

Particulars	AS AT	AS AT
	31-03-2020	31-03-2019
	(Amount in Rs.₹)	
NOTE - 3		
Investment in Property		
Cost	87,802,900	87,802,900
Less : Depreciation	2,780,426	1,390,213
	85,022,474	86,412,687
NOTE - 4		
Non Current Investments :		
(a) Trade & Quoted (At market value):		
Investment in Equity Shares-Associate Companies :		
[Fully paid up]		
172550 (172550) Equity Shares of Rs. 10/- each of Remi Securities Limited	2,277,660	2,277,660
1080000 (1080000) Equity Shares of Rs. 10/- each of K K Fincorp Limited	12,744,000	12,873,600
220200 (220200) Equity Shares of Rs. 10/- each of Bajrang Finance Limited	2,635,794	2,635,794
21400 (21400) Equity Shares of Rs. 10/- each of Remi Edelstahl Tubulars Limited	255,730	652,700
36680 (36680) Equity Shares of Rs. 10/- each of Remi Elektrotechnik Limited	402,380	402,380
Trade & Unquoted :		
(b) Investment in Equity Shares-Associate Companies :		
[Fully paid up, Valued at Cost]		
600 (600) Equity Shares of Rs. 10/- each of Remi International Limited	3,000	3,000
14000 (14000) Equity Shares of Rs. 10/- each of Rajendra Finance Private Limited	147,000	147,000
17200 (14000) Equity Shares of Rs. 10/- each of Remi Finance & Investment Private Limited	2,255,800	147,000
8485 (8485) Equity shares of Rs. 10/- each of Vishwakarma Job Works Limited	15,736,494	15,736,494
(c) Investment in Mutual Funds (At Market Value)		
493349.647 (493349.647) Units of Birla Sun Life Medium Term Plan-Growth-Regular Plan.	10,836,524	11,242,994
493349.647 (NIL) Units of Birla Sun Life Medium Term Plan-Growth-Regular Plan. (Segregated Portfolio-1)	685,657	-
391692.975 (391692.975) Units of HDFC Corporate Debt Opportunity Fund - Regular Plan Growth.	-	5,975,316
296112.049 (296112.049) Units of Kotak Income Opportunities Fund - Growth Regular Plan.	-	6,023,807
(d) Investment in Bonds / NCDs (Quoted) :		
50000 (NIL) 7.18% IRFC Tax free Bonds of Rs. 1000 each fully paid up.	50,000,000	50,000,000
30 (NIL) NCDs of Rs. 10 lakhs each of Motilal Oswal Home Finance Limited	31,336,200	-
(e) Investment in Preferential Shares (Quoted) :		
250000(NIL) 7.95% Preferential shares of Rs. 100 each of L&T Finance Holding Limited	25,000,000	-
50000(NIL) 7.50% Preferential Share of Rs. 1000 each of Tata Capital Limited	50,000,000	-
Total	204,316,239	108,117,745
Aggregate Cost of Equity Quoted Investments	2,266,318	2,266,318
Aggregate Cost of Unquoted Equity Investments	18,142,294	16,033,494
Aggregate Cost of Non Equity Quoted Investments	169,267,891	72,931,691

REMI SALES AND ENGINEERING LIMITED

	AS AT 31-03-2020	AS AT 31-03-2019
	(Amount in Rs.₹)	
NOTE - 5		
Other- Non Current Assets		
(Unsecured and considered good)		
Security Deposits	7,821,883	9,915,603
Earnest Money Deposit	1,863,798	565,860
Total	9,685,681	10,481,463
NOTE - 6		
Inventories :		
(As per Inventory taken, valued and certified by management)		
Stock in Trade	81,398,889	78,901,355
Stock in Transit	2,485,165	-
Total	83,884,054	78,901,355
NOTE - 7		
Curent investments (At market value):		
a) 5000 (5000) Units of DHFL Pramerica Mutual fund, Fixed duration fund- Series-AB-Regular Growth	6,196,497	5,770,783
b) 50 (NIL), 9.56% Perpetual Bond of State Bank of India	53,267,841	-
c) NIL (1900959.985) Units of HDFC Arbitrage Fund- Wholesale Plan Monthly Dividend Direct Plan	-	19,889,744
d) 1337897.981 (2860685.657)Units of HDFC Arbitrage Fund- Wholesale Plan Monthly Dividend Direct Plan.	14,026,522	29,931,344
e) NIL (676585.409) Units of ICICI Prudential Equity Arbitrage Fund- Fund Direct Plan Dividend.	-	9,804,670
f) NIL (39487.223) Units of ICICI Prudential Liquid Fund- Direct Plan- Growth	-	10,914,916
Total	73,490,860	76,311,457
NOTE - 8		
Trade receivables :		
Outstanding for more than 6 months (Unsecured & Considered good)	35,062,528	42,284,060
Trade receivable which have signficant increase in credit risk	1,555,264	1,754,764
Less : Provision for Doubtful debts	1,555,264	1,754,764
	35,062,528	42,284,060
Trade Receivable Considered good- Secured	-	-
Trade Receivable Considered good- Unsecured	247,358,713	276,332,078
Total	282,421,241	318,616,138
NOTE - 9		
Cash and cash equivalents :		
Cash on Hand	653,560	806,046
Balance with Bank- On Current account	8,082,765	6,806,588
Total	8,736,325	7,612,634
NOTE - 10		
Bank balances other than cash :		
Fixed Deposits with Bank	2,467,216	12,989,325
(Pledged with Bank as margin and Customers as security deposits- including FDR of maturity value of more than 12 months - Rs.42952 and P.Y. Rs. 808042/-)	-	-
Total	2,467,216	12,989,325

REMI SALES AND ENGINEERING LIMITED

Particulars	AS AT 31-03-2020	AS AT 31-03-2019	
	(Amount in Rs.₹)		
NOTE - 11			
Loans :			
Loans Receivables considered good - Secured	-	-	
Loans Receivables considered good - Unsecured	3,543,108	10,000,000	
Loans Receivables which have significant increase in Credit Risk	-	-	
Loans Receivables - credit impaired	-	-	
Total	3,543,108	10,000,000	
NOTE - 12			
Other Current Assets :			
Advances recoverable in cash or in kind for value to be received	5,424,074	2,259,361	
Interest accrued but not due on fixed deposits	3,535,206	245,368	
Advance to Staff	744,138	491,077	
Advances Given	70,566	2,298,283	
Balance with Sales tax authorities	888,591	897,796	
GST Refundable	1,330,788	771,493	
Prepaid Expenses	898,445	586,012	
Prepaid Rent (IndAS)	315,262	268,464	
Income Tax Receivable	10,067,902	481,122	
Total	23,274,972	8,298,976	
NOTE - 13			
Equity Share Capital :			
AUTHORISED:			
6,00,000 ,(600,000) Equity Shares Of Rs. 10/- each	6,000,000	6,000,000	
Issued Subscribed and Paid up :			
5,70,200 (5,70,200) Equity Shares of Rs. 10/- each	5,702,000	5,702,000	
Total	5,702,000	5,702,000	
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.			
In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.			
b) Details of Shareholders Holding more than 5% Shares of the Company:			
Sr. No.	Name of Shareholder	No. of shares as on 31-03-2020	No. of shares as on 31-03-2019
1	K K Fincorp Ltd.	101,800	101,800
2	Bajrang Finance Ltd.	97,000	97,000
3	Remi Securities Ltd.	83,000	83,000
4	Remi Finance & Investment Pvt. Ltd.	45,000	45,000
5	Rajendra Finance Pvt. Ltd.	50,000	50,000
6	Minakshi R. Saraf	33,000	33,000
c) Reconciliation of outstanding Shares at the beging and at the end of the reporting		No. of shares as on 31-03-2020	No. of shares as on 31-03-2019
Number of Equity Shares at the beginning of the year		570,200	570,200
Number of Equity Shares issued during the year		-	-
Number of Equity Shares at the end of the year		570,200	570,200
NOTE - 14			
Other Equity :			
a) Securities Premium			
As per last Balance sheet.			
	38,220,000	38,220,000	
b) General Reserve:			
Opening Balance			
	80,000,000	72,500,000	
Add: Transferred from surplus balance in statement of profit & loss			
	10,000,000	7,500,000	
	90,000,000	80,000,000	
c) Surplus:			
Opening Balance			
	278,738,149	234,299,145	
Profit for the period			
	47,789,858	54,164,072	
Other Comprehensive Income			
	(1,334,808)	(2,225,068)	
Transferred to General reserve			
	10,000,000	7,500,000	
Net surplus in the statement of profit & loss	315,193,199	278,738,149	
Total	443,413,199	396,958,149	

REMI SALES AND ENGINEERING LIMITED

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
	(Amount in Rs.₹)	
NOTE - 15		
<u>Other non current liabilities :</u>		
Dealers Deposits	15,246,669	14,089,010
Employees retirement benefits	6,667,880	5,761,837
Deposits (IndAS)	416,742	353,969
Total	22,331,291	20,204,816
NOTE-16		
<u>Current Liabilites :</u>		
(i) Borrowings :		
<u>Secured Loans:</u>		
From State Bank of India:		
Cash Credit Facility	13,025,833	22,053,075
[Secured by first hypothecation charge on entire current assets consisting of finished goods and receivables. Extension of Equitable Mortgage of land at Brahmanwel, Distt. Dhule, and hypothecation of Windmill. The Loans also guaranteed by two individuals.]		
<u>Unsecured Loans :</u>		
Intercorporate Deposit from Others	6,025,230	-
Total	19,051,063	22,053,075
NOTE - 17		
Trade Payable to Other than Micro & Small Enterprises	200,442,735	171,649,297
Trade payable to Micro & Small Enterprises - (Interest paid /payable-Nil)	46,756,772	74,511,433
Total	247,199,507	246,160,730
NOTE - 18		
<u>Other Finalcial Liabilites</u>		
Other Statutory Dues Payable	7,203,103	11,061,529
Other Liabilities	20,801,816	19,988,018
Total	28,004,919	31,049,547
NOTE - 19		
<u>Other Current Liabilites</u>		
Advance from Customers	32,182,850	14,448,351
Total	32,182,850	14,448,351
NOTE - 20		
<u>Provisions :</u>		
For Gratuity	4,672,906	1,606,735
For Leave Salary	426,648	286,311
Total	5,099,554	1,893,046

REMI SALES AND ENGINEERING LIMITED

Particulars	Year Ended	Year Ended
	31-03-2020	31-03-2019
	(Amount in Rs.₹)	
NOTE - 21		
Revenue from operations :		
(a) Sale of Products:		
Sale of Engineering & Electrical goods	1,256,212,571	1,279,147,391
Sale of Steel Goods	88,509,775	69,044,593
Sale of Power	2,684,369	7,296,044
	1,347,406,715	1,355,488,028
(b) Other Operating Revenues:		
Commission received	5,813,309	3,307,263
Service & Installation charges	25,198,494	25,492,789
	31,011,803	28,800,052
Revenue from operations	Total	
	1,378,418,518	1,384,288,080
Details of Sale of traded goods		
Sale of Electric Motors	18,319,501	28,856,852
Sale of Electric Fans	586,285,927	565,874,667
Sale of Scientific & Laboratory Instruments	630,780,705	663,958,355
Sale of Wind Power	2,684,369	7,296,044
Sale of Steel Goods	88,509,775	69,044,593
Others	20,826,438	20,457,517
	1,347,406,715	1,355,488,028
NOTE - 22		
Other Income :		
Interest Received.	9,165,559	2,645,102
Sundry Credit Balance W/back	794,637	4,561,533
Foreign Exchange Gain	54,660	89,107
Profit on Sale of Fixed Assets	100,925	-
Short Term Capital Gain on Sale of Investments	299,856	2,573,684
Long Term Capital Gain on Sale of Investments	412,245	552,918
Sales tax refund received.	11,512	25,299
Export Incentives	-	330,873
Miscellaneous Income	149,256	651,437
Dividend Income	4,822,670	2,385,514
Insurance claim received	762,621	688,967
Increase in fair value of Current Investments (IndAS)	28,095	262,507
Rent Income	6,255,000	1,251,000
Rent & Interest Income (IndAs)	539,252	402,204
Leave Salary Excess Provision writtenback	-	80,919
	Total	
	23,396,288	16,501,064
NOTE - 23		
Purchases :		
Purchase of Electric Motors	14,726,474	26,518,360
Purchase of Electric Fans	476,480,438	464,168,131
Purchase of Scientific & Laboratory Instruments	503,343,895	522,444,089
Purchase of Steel Goods	85,475,911	67,527,918
Purchase including purchase in transit	2,485,165	-
Others	6,686,156	6,371,655
	Total	
	1,089,198,039	1,087,030,153
NOTE - 24		
Changes in Inventories :		
Inventories at the end of the year	83,884,054	78,901,355
Inventories at the beginning of the year	78,901,355	79,931,042
	Total	
	(4,982,699)	1,029,687
NOTE - 25		
Employees Benefit Expenses :		
Salaries, wages and bonus etc.	128,243,608	115,826,206
Contribution to PF, ESIC, Gratuity & Other funds	10,610,306	8,544,160
Staff welfare expenses	1,189,603	1,144,107
	Total	
	140,043,517	125,514,473

REMI SALES AND ENGINEERING LIMITED

Particulars	Year Ended	Year Ended
	31-03-2020	31-03-2019
	(Amount in Rs.₹)	
NOTE - 26		
Other Expenses :		
Rent	10,643,092	9,489,923
Rent & Interest Expenses (IndAS)	555,227	452,928
Rates and taxes	875,330	1,143,494
Packing Freight & Forwarding	24,157,595	23,507,020
Insurance	425,170	304,153
Repairs & Maintenance- Plat & Machineries	1,381,120	1,334,214
Repairs & Maintenance-Others	2,129,321	2,734,623
Royalty	2,139,579	1,986,057
Postage, Telephone & Courier charges	2,340,277	2,642,414
Travelling & Conveyance Expenses	26,494,714	23,037,807
Vehicle Running & Maintenance expenses	3,741,796	3,642,681
Advertisement & Sales promotion	5,540,513	5,451,889
Director sitting fees	38,000	19,000
Commission & Brokerage	5,366,984	9,143,414
Legal and professional fees	4,493,762	2,057,853
Loss on sale of fixed assets (Net)	-	-
Loss on Foreign Currency translation	-	-
Impairment of fixed assets	-	2,260
Bad Debts Written off	1,708,982	4,151,286
Provision for Doubtful debts	-	128,786
Service charges	5,531,934	7,425,294
Jobwork charges	-	-
Discount Allowed	1,586,266	1,057,124
Payment to Auditors:		
(a) As auditors:		
Audit fee	553,595	536,745
(b) In other capacity:		
Other services	149,541	103,380
Electricity & Water Expenses	1,797,180	1,728,400
Printing & Stationery	1,786,100	1,316,263
Office Expenses	1,618,452	1,230,373
Donations	100,000	13,100
Corporate Social Responsibility (CSR)	931,000	548,000
VAT & CST paid	-	-
Fixed Assets written off	-	-
Cash Embezzlement	-	-
Miscellaneous Expenses	3,897,491	2,785,623
Decrease in fair value of Current Investments (IndAS)	-	-
Total	109,983,021	107,974,104
NOTE - 27		
Finance Cost :		
Interest	840,702	774,771
Other borrowing cost	324,761	440,555
Total	1,165,463	1,215,326

28. **Contingent liabilities not provided for:**

- i) Bank Guarantees given Rs. 1,12,66,424/- (P.Y. Rs.92,33,163/-).
- ii) Sales Tax demand disputed in appeal Rs. 87,017/- (P.Y. Rs.87,017 /-).
- iii) Income Tax demand disputed in appeal Rs.259,46,308/- (PY.Rs 1,98,47,593/-)

29. The spread of COVID-19 has severally affected the business 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, travel bans, social distancing and other emergency measures.

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

The Company has mad detailed assessment of its liquidity position for the next few months and of the recoverability and carrying values of its assets comprising Property, Intangible assets, Trade Receivable, Inventories and Investments as at the Balance sheet date, and based on the internal external information up to the date of approval of these financial statements has concluded that no material adjustments 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.

30. Payment to Micro, Small & Medium Enterprises are made in accordance with the agreed credit terms and to the extent ascertained from available information, there was no amount overdue beyond the period specified in Micro, Small and Medium Enterprises Development Act, 2006.

31. Segment Reporting: The Company operates in two segments namely (i) Trading and (ii) Wind Power Generation. Since revenue, result and assets of wind power generation are below the prescribed criteria and hence the same is not treated as reportable segment.

32. Value of Imports calculated on CIF basis : Rs.70,41,852/- (P.Y.Rs. 71,07,245/-)

33. Expenditure in foreign currency – Travelling expenses Rs.2,69,520/- (P.Y. Rs.3,69,487/-)

Payment of Imported Material Rs. 68,32,140/- (P.Y. Rs.70,63,751/-)

34. The significant component and classification of deferred tax assets and liabilities on account of timing differences are:-

		As At 31-03-2020 (in Rupees)	As At 31-03-2019 (in Rupees)
a)	<u>Deferred Tax Assets:</u>		
	On account of retirement benefits	17,85,586	16,82,595
b)	<u>Deferred Tax Liability:</u>		
	On account of Depreciation	(34,34,148)	(39,10,510)
	On account of OCI & IndAS Adjustments	(18,99,734)	(32,05,501)

35. <u>Earning per Share:</u>		2019-2020 (in Rupees)	2018-2019 (in Rupees)
a)	<u>Weighted average number of equity shares</u>		
	i) Number of shares at the beginning of the year	5,70,200	5,70,200
	ii) Number of shares considered as basic weighted average shares outstanding for computing basic earning per shares	5,70,200	5,70,200
	iii) Number of shares considered as weighted average shares outstanding for computing diluted earning per shares	5,70,200	5,70,200
	<u>Computation of basic and diluted earning per share:</u>		
b)	Net profit after tax distributable to share holders	4,77,89,858	5,41,64,072
c)	Basic earning per equity share of Rs.10/- each	83.81	94.99
d)	Diluted earnings per equity share of Rs.10/-each	83.81	94.99

36. **Related parties disclosures:**

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

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

- (a) **Key Management Personal:**
Shri Sandeep Kasera - Whole Time Director
Shri Paras Bafna – Chief Financial Officer
Shri Prakash Darak – Company Secretary (up to 31.12.2019)
Ms. Kusum Parek – Company Secretary (w.e.f. 24.01.2020)
- (b) **Non Executive Directors**
Shri Vinod C. Jalaln- Director
Shri M. P. Sharma- Director
Smt. Archana Bajaj – Director

Transactions during the year	March 31, 2020 (in Rupees)	March 31, 2019 (in Rupees)
A. Sitting Fees		
Non Executive Directors		
Shri Vinod C Jalan	14,000	7,000
Shri M.P.Sharma	10,000	5,000
Smt. Archana Bajaj	14,000	7,000
B. Managerial Remuneration		
Key Managerial Personnel		
Salaries, Wages, Bonus, Commission & Other Benefits		
Contribution Towards P.F. Family Pension Etc.		
Shri. Sandeep Kasera	62,36,720	54,39,573
Shri Paras Bafna	17,82,100	15,56,678
Shri Prakash Darak (up to 31.12.2019)	3,15,000	1,05,000
Ms. Kusum Parek (w.e.f. 24.01.2020)	67,742	-

C.	Gratuity Contribution & Administration Charges Payable to Remi Sales and Engineering Limited Employees Group Gratuity Scheme.	25,24,596	22,77,331
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Note-

The transactions with related parties are made on terms equivalent to those that prevail in arms' length transactions Outstanding balances at the year-end are unsecured. The Group has not recorded any impairment of receivables 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.

37. **Percentage of Purchases of Imported Goods with Total Purchases:**

	Value (in Rupees)	% of Total Consumption
Imported	68,32,140 (70,63,751)	0.63 (0.65)
Indigenous	1,08,23,65,899 (1,07,99,66,402)	99.37 (99.35)
TOTAL	1,08,91,98,039 (1,08,70,30,153)	100.00 (100.00)

38. **Disclosures on Employee Benefits :**

(A) Defined Contribution Plans:

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

For the year ended March 31, 2020

Contribution to Employees' Provident Fund	70,61,674 (50,99,769)
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(B) Defined Benefits Plans – Ind AS 19 Disclosures:

(i) Changes in the Present Value of Obligation

	Gratuity	Leave Encashment	Total
(a) Present Value of Obligation as at April 1, 2019	25454453 (22197515)	6048148 (5508258)	31502601 (27705773)
(b) Interest Cost	1873074 (1648271)	393861 (410416)	2266935 (2058687)
(c) Past Service Cost	(--) (--)	-- (--)	(--) (--)
(d) Current Service Cost	2452025 (2246724)	1056383 (1085197)	3508408 (3331921)
(e) Benefits Paid	(1402414) ((1001320))	1662896 ((356359))	260482 ((1357679))
(f) Actuarial (Gain)/Loss	2726655 ((363263))	1259032 ((599364))	3985687 ((236101))
(g) Present Value of Obligation as at March 31, 2020	31103793 (25454453)	7094528 (6048148)	38198321 (31502601)

(ii) Changes in the Fair value of Plan Assets: **For the year ended March 31, 20120**

		Gratuity (in Rupees)
(a)	Present Value of Plan Assets as at April 1, 2019	23847718 (21008626)
(b)	Expected Return on Plan Assets	1800503 (1617664)
(c)	Actuarial (Gain)/Loss	(92251) (47194)
(d)	Employers' Contributions	2277331 (2175554)
(e)	Employees' Contributions	-- (--)
(f)	Benefits Paid	(1402414) ((1001320))
(g)	Fair Value of Plan Assets as at March 31, 2020	26430887 (23847718)

(iii) Amount recognized in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets:-

		For the year ended March 31, 2020 (in Rupees)		
		Gratuity	Leave Encashment	Total
(a)	Present Value of Funded Obligation as at March 31, 2020	31103793 (25454453)	7094528 (6048148)	38198321 (31502601)
(b)	Fair Value of Plan Assets as at March 31, 2020	26430887 (23847718)	-- (--)	26430887 (23847718)
(c)	Present Value of Unfunded Obligation as at March 31, 2020	NIL (--)	-- (--)	NIL (--)
(d)	Net Liability recognized in the Balance Sheet	4672906 (1606735)	7094528 (6048148)	11767434 (7654883)

(iv) Expenses recognized in the Profit and Loss Account

		Gratuity	Leave Encashment	Total
(a)	Current Service Cost	2452025 (2246724)	1056383 (1085197)	3508408 (3331921)
(b)	Past Service Cost	(--) (--)	-- (--)	(--) (--)
(c)	Interest Cost	1873074 (1648271)	393861 (410416)	2266935 (2058687)
(d)	Expected Return on Plan Assets	(1800503) ((1617664))	-- (--)	(1800503) ((1617664))
(e)	Net actuarial (Gain)/Loss	-- (--)	1259032 ((599364))	1259032 ((599364))
(f)	Employees' Contribution	-- (--)	-- (--)	-- (--)

(g)	Total Expenses recognized in the Profit and Loss Account	2524596 (2277331)	2709276 (896249)	5233872 (3173580)
(v)	Amount recognized in other Comprehensive Income (OCI)	Gratuity	Leave Encashment	Total
(a)	Amount recognized in OCI, Beginning of period	72286 (243784)	-- (--)	72286 (243784)
(b)	Remeasurement due to :			
(c)	<i>Effect of change in Financial Assumptions</i>	2383509 (338735)	-- (--)	2383509 (338735)
(d)	<i>Effect of change in Demographic Assumptions</i>	(3264) (--)	-- (--)	(3264) (--)
(e)	<i>Effect of experience Assumptions</i>	346410 (24528)	-- (--)	346410 (24528)
(f)	Actuarial (Gain/Losses)(c+d+e)	2726655 (363263)	-- (--)	2726655 (363263)
(g)	Return of plan assets (excluding Interest)	(92251) (47194)	-- (--)	(92251) (47194)
(h)	Total remeasurements recongnized in OCI	2818906 (316069)	-- (--)	2818906 (316069)
(i)	Amount recognized in OCI, End of period	2891191 (72286)	-- (--)	2891191 (72286)

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

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

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

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

Particulars	(in Rupees)
(a) Actual return on plan assets	1708252 (1664858)

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

Particulars	Gratuity	Leave Encashment
(a) Discount Rate	6.65% (7.55%)	6.65% (7.55%)
(b) Expected Rate of Return on Plan Assets	7.55% (7.55%)	-- (--)
(c) Salary Escalation Rate	7.00% (7.00%)	7.00% (7.00%)

(x) 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.

(xi) **Sensitivity Analysis**

	31.03.2020	
Defined Benefit Obligation (Base)	70,94,528	
	Decrease	Increase
Discount Rate	75,22,878	67,03,066
Impact of increase/decrease in 50 bps on DBO	6.04%	-5.52%
Salary Growth Rate	67,02,538	75,19,335
Impact of increase/decrease in 50 bps on DBO	-5.53%	5.99%

39. Figures within brackets are for previous year.

40. Figures have been rounded off to the nearest rupee.

41. Previous year figures are regrouped, rearranged and reclassified, wherever necessary, to conform to current year's presentation.

Signature to Notes 1 to 41

**AS PER OUR REPORT OF EVEN DATE
FOR YATIN KUMAR SHAH,
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF BOARD

Sd/-

**(YATIN KUMAR SHAH)
SOLE PROPRIETOR
Membership Number – 159796**

Sd/-

**(SANDEEP KASERA)
WHOLETIME DIRECTOR
DIN : 00156800**

Sd/-

**(VINOD JALAN)
DIRECTOR
DIN : 00087424**

Sd/-

PLACE : MUMBAI
DATED : 18TH AUGUST, 2020

**PARAS BAFNA
CHIEF FINANCIAL OFFICER**

Sd/-

**KUSUM PAREK
COMPANY SECRETARY**