



REMSONS Industries Ltd.

P. O. Bag No. 7685
Mumbai - 400 067.
Phone : 2868 4452, 2868 3883,
2868 2368
Fax : (91) (22) 2868 2487
Email : remsons@vsnl.com

FORM A

| | | |
|----|---|---|
| 1. | Name of the Company | REMSONS INDUSTRIES LIMITED |
| 2. | Annual financial statements for the year ended | March 31, 2013 |
| 3. | Type of Audit observation | Un-qualified |
| 4. | Frequency of observation | Whether appeared first time-----/ repetitive-----/ since how long period ----- N.A. |
| 5. | To be signed by – CEO / Managing Director CFO Auditor of the Company Audit Committee Chairman | Please see below: |

Signatures:

For Remsons Industries Limited

K. Kejriwal
CEO/ Managing Director

Anil Kumar Agrawal
CFO

Sitaram B. Parwal
Chairman- Audit Committee



For Kanu Doshi Associates,
Chartered Accountants,
Firm Reg. No. 104746W

Ankit Parekh
Partner
Mem. No. 114622
Auditors of the Company



Place: Mumbai

Date:

30 AUG 2013





41ST

ANNUAL REPORT

2012 - 2013

REMSONS
Industries Limited

CONTENTS

Page

Board of Directors1

Notice2-10

Directors’ Report11-13

Management Discussion And Analysis Report14-15

Corporate Governance Report16-25

Independent Auditors’ Report26-29

Balance Sheet30

Statement of Profit and Loss.....31

Cash Flow Statement32-33

Note 1 to 48 to the Financial Statements34-57

Letter addressed to Shareholders on “Green Initiative” taken by MCA.....58

Attendance Slip / Proxy59



Board of Directors

| | |
|--|---|
| Mr. V. Harlalka | Chairman |
| Mr. K. Kejriwal | Managing Director |
| Mrs. C. Kejriwal | Whole-time Director |
| Mr. Ming Ching Tan | Director |
| Mr. S. B. Parwal | Director |
| Mr. S. Agarwal | Director |
| Mr. V. K. Mahtani | Director |
| Mrs. Saroj N. Rao | Director (up to August 11, 2012) |
| Mr. Anil Kumar Agrawal | Director - Finance and CFO (w.e.f. August 11, 2012) |
| Mr. Sukhdeo Purohit | Company Secretary |
| Kanu Doshi Associates Chartered Accountants | Auditors |
| State Bank of India | Bankers |

Registered Office:

88-B, Government Industrial Estate, Kandivli (West), Mumbai-400067.

Works :

- 1/3 Mile Stone, Khandsa Road, Gurgaon - 122001
- 'Western House' A2/27, Somnath Industrial Estate, Daman - 396210
- 'Diamond House' A2/3&4, Somnath Industrial Estate, Daman - 396210
- 'Goodluck House', Survey No. 729 /1, Ringanwada, Village Dabhel, Daman - 396210
- 'Golden House' Survey No. 647 /1A at Village - Dunetha, Daman - 396210
- Survey No. 146, Village Khadki, Pardi - 396121 (Gujarat)

Registrar and Share Transfer Agents :

M/s. Sharex Dynamic (India) Private Limited

Unit 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road,
Andheri (E), Mumbai - 400 072.



REMSONS

INDUSTRIES LTD.

NOTICE

NOTICE is hereby given that the **41st Annual General Meeting** of the Members of Remsons Industries Limited will be held on **Thursday, September 26, 2013 at 4.00 p.m.** at the registered office of the Company at **88-B, Government Industrial Estate, Kandivli (West), Mumbai -400 067** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheets at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. S. B. Parwal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. V. K. Mahtani, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration. M/s. Kanu Doshi Associates, Chartered Accountants, the retiring Statutory Auditors are eligible for re-appointment.

5. To authorize the Board of Directors to appoint Branch Auditors for the Company's Gurgaon branch in consultation with the statutory auditors and to fix the branch auditor's remuneration. M/s. G. P. Agrawal & Co., Chartered Accountants, New Delhi, the retiring Branch Auditors are eligible for re-appointment.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals and sanctions as may be necessary, the Company hereby accords its consent and approval to the re-appointment of Mr. K. Kejriwal, Managing Director of the Company for a further period of three (3) years with effect from 1st April 2013 on terms and conditions and remuneration as set out herein below, with authority to the Board of Directors to alter and vary the terms and conditions of his appointment and determine from time to time the salary, perquisites and other benefits payable to Mr. K. Kejriwal in such manner, as may be agreed to between the Board of Directors and Mr. K. Kejriwal provided however that the remuneration payable to him shall not exceed the limits prescribed under Schedule XIII to the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof:

| | | |
|----|---|---|
| 1. | Salary (Basic) | Rs. 80,000/- per month |
| 2. | HRA | Rs. 30,000/- per month |
| 3. | Perquisites and Allowances | In addition to the salary, the Managing Director shall also be entitled to perquisites and allowances like reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement at actuals incurred for self and family, club fees and expenses, leave travel concession for self and family, Free Education Allowance for the children, Leave / Encashment of Leave in accordance with the Company's rules ; medical insurance, reimbursement of expenses of Watchman, Sweeper and Gardner and other allowances / perquisites in accordance with the Company's Rules, provided however that the perquisites and allowances as aforesaid will be subject to a maximum of Rs. 1.80 Lacs per annum. |
| 4. | Conveyance / Motor Car | Free use of car with Driver and telephone / other communication facilities at residence for company's business. |
| 5. | Provident and other funds including superannuation and gratuity | Company's contribution to Provident Fund and / or superannuation or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act. Gratuity at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure. |
| 6. | Reimbursement of expenses | The Managing Director shall also be entitled to reimbursement of expenses incurred by him for the purpose of Company's business. |

RESOLVED FURTHER THAT in event of absence or inadequacy of profits in any financial year during the term of office of Mr. K. Kejriwal, Managing Director of the Company, the aforesaid salary, allowances, perquisites and other benefits as approved under this resolution shall be payable to him as Minimum Remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as may be necessary to give effect to the above resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals and sanctions as may be necessary, the Company hereby accords its consent and approval to the re-appointment

of Mrs. Chand Kejriwal, Whole-time Director of the Company for a further period of three (3) years with effect from 1st April 2013 on terms and conditions and remuneration as set out herein below, with authority to the Board of Directors to alter and vary the terms and conditions of her appointment and determine from time to time the salary, perquisites and other benefits payable to Mrs. Chand Kejriwal in such manner, as may be agreed to between the Board of Directors and Mrs. Chand Kejriwal provided however that the remuneration payable to her shall not exceed the limits prescribed under Schedule XIII to the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof:



REMSONS INDUSTRIES LTD.

| | | |
|----|---|--|
| 1. | Salary (Basic) | Rs. 50,000/- per month |
| 2. | HRA | Rs. 20,000/- per month |
| 3. | Perquisites and Allowances | In addition to the salary payable, the Whole Time Director shall also be entitled to perquisites and allowances like reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement at actuals incurred for self and family, club fees and expenses, leave travel concession for self and family, Free Education allowance for the children, Leave / Encashment of Leave in accordance with the Company's rules; medical insurance, reimbursement of expenses of Watchman, Sweeper and Gardner and other allowances/perquisites in accordance with the Company's Rules provided however that the perquisites and allowances, as aforesaid will be subject to a maximum of Rs. 6 Lacs per annum . |
| 4. | Conveyance / Motor Car | Free use of car with Driver and telephone facilities at residence for Company's business. |
| 5. | Provident and other funds including superannuation and gratuity | Company's contribution to Provident Fund and Superannuation or Annuity Fund to the extent the same either singly or put together are not taxable under the Income-tax Act. Gratuity at the rate not exceeding half a month's salary for each completed year of service and encashment of leave at the end of the tenure. |
| 6. | Reimbursement of expenses | The Whole-time Director shall also be entitled to the reimbursement of expenses incurred by her for the purpose of Company's business. |

RESOLVED FURTHER THAT in event of absence or inadequacy of profits in any financial year during the term of office of Mrs. Chand Kejriwal, Whole -time Director of the Company, the aforesaid salary, allowances, perquisites and other benefits as approved under this resolution shall be payable to her as Minimum Remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as may be necessary to give effect to the above resolution.”

Mumbai,
May 27, 2013

By Order of the Board of Directors
Sukhdeo Purohit
Company Secretary

Registered Office:
88B, Government Industrial Estate
Kandivli (West), Mumbai -400 067

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The proxy form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business under item nos. 6 and 7 above, is annexed hereto. The relevant details as required by Clause 49 of the Listing Agreements entered in to with the Stock Exchanges, of persons seeking appointment / re-appointment as Directors under item Nos. 2,3,6 and 7 of the Notice, is given in a separate annexure to this notice.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 19th September 2013 to Thursday, 26th September 2013 (both days inclusive) for the purpose of the meeting.
5. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, dividend for the year ended 31st March 2004 remaining unpaid or unclaimed for a period of seven years was transferred within time to the Investor Education and Protection Fund ('IEPF') established by the Central Government. The Company has not declared any dividend since then and therefore no further amount is due for transfer to IEPF.
6. Members attending the meeting are requested to bring their copies of the Annual Report, complete the attendance slip and deliver the same at the entrance of the meeting hall.
7. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend 48 hours before the meeting and vote on their behalf at the Meeting.
8. Members who hold shares in dematerialized form are requested to bring / intimate their Client ID and DP ID numbers for easy identification at the time of attendance to the Annual General Meeting.
9. Members seeking any further information about the accounts are requested to write to the Company at least ten days before the date of the Annual General Meeting.
10. 98.21% of the total equity shares of the Company were held in dematerialized form as on 31st March 2013. Members desiring to dematerialize/ rematerialize their shares may forward their request directly to the Depository Participant with whom they have opened the account.
11. The Ministry of Corporate Affairs, vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their e-mail address for the said purpose. Members are requested to support this Green Initiative by registering / updating their e-mail addresses for receiving electronic communications.

Mumbai,
May 27, 2013

By Order of the Board of Directors
Sukhdeo Purohit
Company Secretary

Registered Office:
88B, Government Industrial Estate
Kandivli (West), Mumbai -400 067

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

As required by Section 173 of the Companies Act, 1956 ('Act') the following explanatory statement sets out all material facts relating to the business mentioned under item nos. 6 and 7 of the accompanying Notice dated May 27, 2013:

Item No. 6 & 7

Mr. Krishna Kejriwal, aged 61 years is a Graduate in Science. He has held the position of President of Bombay Industries Association and Automotive Component Manufacturers Association of India (ACMA). He was appointed as Managing Director of the Company w.e.f. 12th July 1976. During the long tenure of 37 years in the office of Managing Director he has gained a rich experience in the field of production, marketing, exports, foreign collaboration, accounts, finance, banking and overall administration of the Company. The term of the office of Managing Director expired on 31st March 2013. The Board of Directors of the Company in its meeting held on 13th February 2013 re-appointed Mr. Krishna Kejriwal as

Managing Director of the Company for a further period of three (3) years w.e.f. 1st April 2013 on the terms and conditions mentioned in the resolution as set out at item no. 6 of the notice convening the Annual General Meeting.

Mrs. Chand Kejriwal, aged 57 years did her Inter (Arts) from University of Mumbai. She was appointed as Whole-time Director of the Company w.e.f. 12th July 1976. During the long tenure of 37 years in the office of Whole-time Director she has gained rich experience in the field of marketing, human resource management and general administration of the Company. The term of the office of Whole-time Director expired on 31st March 2013. The Board of Directors of the Company in its meeting held on 13th February 2013 re-appointed Mrs. Chand Kejriwal as Whole-time Director of the Company for three (3) years w.e.f. 1st April 2013 on the terms and conditions mentioned in the resolution as set out at item no. 7 of the notice convening the Annual General Meeting.

The additional details required to be given pursuant to the proviso (iv) to Para B of Part II of Schedule XIII to the Companies Act, 1956, are given below:

| I | | General Information | |
|---|-----|---|--|
| | (1) | Nature of industry | The Company is engaged in the manufacture of Auto Control Cables and Gear Shifters. It is one of the major suppliers to India's large automobile manufacturers like Hero MotoCorp, Tata Motors, Maruti Suzuki, Mahindra & Mahindra etc. The Company's products are well received in the domestic as well as in the international market. |
| | (2) | Date or expected date of commencement of commercial production | The company is an existing company and is in operation since 1971. |
| | (3) | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | N.A. |
| | (4) | Financial performance based on given indicators | EPS : ₹ 0.68 Return on net-worth : 4.35% |
| | (5) | Export performance and net foreign exchange collaborations | ₹ 1203.17 Lacs |

| | | | |
|-----------|---|---|---|
| | (6) | Foreign investments or collaborators, if any | Nil |
| II | Information about the appointees | | |
| | (A) | Mr. Krishna Kejriwal | |
| | (i) | Background details | Mr. Krishna Kejriwal, aged 61 years, is a Graduate in Science from University of Bangalore and has 37 years of experience in the field of production, marketing, exports, accounts, finance, banking and overall administration of the Company. Mr. Krishna Kejriwal has made significant contribution in the area of production, designs, innovation, exports, business restructure and has had extensive experience in costing of automotive products, analysis of products mix, financial collaboration and planning / execution of Greenfield Projects. |
| | (ii) | Past Remuneration | Mr. Krishna Kejriwal - Rs. 14.60 lacs per annum. |
| | (iii) | Recognition or awards | Mr. Krishna Kejriwal has held the position of President of Bombay Industries Association and Automotive Component Manufacturers Association of India (ACMA). He received various awards on behalf of the Company from President of India and Minister of Industries. He participated in the meetings of Automotive Component Manufacturers Association of India (ACMA) and delivered lectures in various meetings and conferences. |
| | (iv) | Job profile and his suitability | Mr. Krishna Kejriwal is CEO of the Company with substantial powers and overall control of the Company. Entire management team works under his supervision and all Managers report to him. Considering the qualification, experience, proven track record and performance of Mr. Krishna Kejriwal and efforts put in by him for the growth of the Company as well as his capacity to handle emerging challenges in the times to come, the re-appointment of Mr. Krishna Kejriwal as Managing Director would be beneficial to the Company. |
| | (v) | Remuneration proposed | ₹ 15.00 lacs per annum. |
| | (vi) | Comparative remuneration profile with respect to industry, size of the Company, profile of the position | Considering his rich experience as detailed in the proposed resolution, the terms of the remuneration payable to Mr. Krishna Kejriwal are considered fair, just and reasonable, and are at par with the standards of the industry in which the Company operates. |
| | (vii) | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any | Except the amount of interest @ 10% p.a. on the unsecured loan provided by him to the Company and the dividend, if any on equity shares held by him Mr. Krishna Kejriwal does not have any pecuniary relationship directly or indirectly with the Company other than his appointment as Managing Director of the Company |



REMSONS INDUSTRIES LTD.

| | | | |
|------------|--------------------------|---|--|
| | (B) | Mrs. Chand Kejriwal | |
| | (i) | Background details | Mrs. Chand Kejriwal has gained a rich experience in the field of marketing, human resource management and general administration of the Company. She is involved in various social activities and has played an active role in Corporate Social Responsibility (CSR) of the Company. |
| | (ii) | Past Remuneration | ₹ 9 Lacs per annum |
| | (iii) | Recognition or awards | Mrs. Chand Kejriwal got recognition in various social activities and human welfare. She actively participated in social gatherings and got awards in a different field of floriculture. |
| | (iv) | Job profile and his suitability | Mrs. Chand Kejriwal is Whole-time Director of the Company with substantial powers. She looks after marketing, human resource management and general administration of the Company Considering the qualification, experience, proven track record and performance of Mrs. Chand Kejriwal and efforts put in by her for the growth of the Company as well as her capacity to handle emerging challenges in the times to come, the re-appointment of Mrs. Chand Kejriwal as Whole-time Director would be beneficial to the Company. |
| | (v) | Remuneration proposed | ₹ 14.40 Lacs per annum |
| | (vi) | Comparative remuneration profile with respect to industry, size of the Company, profile of the position | Considering her rich experience as detailed in the proposed resolution, the terms of the remuneration payable to Mrs. Chand Kejriwal are considered fair, just and reasonable, and are at par with the standards of the industry in which the Company operates. |
| | (vii) | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any | Except the amount of interest @ 10% p.a. on the unsecured loan provided by her to the Company, rent for a premises given on leave and license to the company and the dividend, if any on equity shares held by her, Mrs. Chand Kejriwal does not have any pecuniary relationship directly or indirectly with the Company other than her reappointment as Whole-time Director of the Company.. |
| III | Other information | | |
| | (1) | Reasons of loss or inadequate profits | The Company has maintained healthy growth in operating income over the past three years with the consistent profit margins and profitability. The Company has long standing experience in the auto ancillary industry and has established client base in automobile industry. The Company intends to increase its share of revenue from the after-market which may not only support operating margin but will also insulate the company from the volatility in demand from the automobile sector. The Company's business prospects is mainly dependent upon the growth and prospects of the automobile industry as a whole. The automotive component industry over the past few years has become extremely competitive following the entry of several players in the industry. Performance of the automobile manufacturing companies affects the profitability of the Company. |

| | | | |
|--|-----|---|--|
| | (2) | Steps taken or proposed to be taken for improvement | The Company has initiated several measures to improve its profitability. It has strengthened and consolidated operations of various manufacturing units at different locations to ensure uniformity and better administration. Further, to survive in the competitive era, more and more orders from the global as well as domestic OEM market are planned to be procured in addition to achieve higher production by deploying all its resources and capacities available and by choosing right product mix with application of various cost cutting measures without of course, compromising on the quality of its products. |
| | (3) | Expected increase in productivity and profits in measurable terms | The Company expects price of steel, the main raw material, to remain stable. Upsurge in demand for automobile industry will certainly have a positive bearing on the auto component industry. |

The Remuneration Committee of the Company, in its meeting held on 13th February 2013 has approved the re-appointment of and the remuneration payable to Mr. Krishna Kejriwal as Managing Director and Mrs. Chand Kejriwal as Whole-time Director of the Company.

Your Directors recommend the Resolutions mentioned in the item nos. 6 and 7 of notice to the members for their approval.

Except Mr. Krishna Kejriwal and Mrs. Chand Kejriwal themselves and Mr. V. Harlalka being their relative, none of the Directors are in any way concerned or interested in the aforesaid resolutions.

Mumbai,
May 27, 2013

By Order of the Board of Directors
Sukhdeo Purohit
Company Secretary

Registered Office:
88B, Government Industrial Estate
Kandivli (West), Mumbai -400 067



REMSONS INDUSTRIES LTD.

ANNEXURE TO NOTICE

PARTICULARS OF THE DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE 41ST ANNUAL GENERAL MEETING TO BE HELD ON 26TH SEPTEMBER 2013

(In pursuance of Clause 49 (VI) (A) of the Listing Agreement)

| | | | | |
|--|---|---|--|---|
| Name of Director | Mr. S. B. Parwal | Mr. V. K. Mahtani | Mr. K. Kejriwal | Mrs. Chand Kejriwal |
| Date of Birth | 21. 10. 1947 | 18. 10. 1933 | 12. 06. 1952 | 05. 10. 1956 |
| Date of Appointment | 04. 09. 2006 | 27. 03. 2003 | 12. 07. 1976 | 12. 07. 1976 |
| Expertise in Specific Functional areas. | Expertise in Manufacture of Auto Control Cables, Speedometer Cables, Quality Control and general administration. | Manufacturers of PVC Cables since last 48 years. | Expertise in Production, Marketing, Finance and all spheres of Business Development. Past President of 1) Bombay Industries Association. 2) Automotive Component Manufacturers Association of India (ACMA). | General Administration, Marketing, Human Resource Management etc. |
| Qualifications | B. Com. from University of Indore. | B.com from St. Joseph College of Yokohama, Japan | B. Sc. from University of Bangalore | Inter (Arts) from University of Mumbai |
| Directorships held in other Companies (Excluding Foreign Companies) | Sando Safety Equipment Private Limited | None | None. | None |
| Chairman/Member of the Committees of the Board of Directors of the Company. | 1. Chairman – Audit Committee. 2. Member – Remuneration Committee. 3. Member - Share holders' / Investors' Grievance Committee. | 1. Member – Audit Committee 2. Member – Remuneration Committee | 1. Member : Share holders' / Investors' Grievance Committee | None |
| Chairman/Member of the Committee of the Board of Directors of other Companies in which he is Director. | None | None | None | None |

DIRECTORS' REPORT

To Shareholders,

Your Directors are pleased to present their 41st Annual Report on the business and operations of the company and the Audited Accounts for the year ended 31st March 2013.

FINANCIAL RESULTS

| | ₹ in Lacs | |
|---|--|---------------------------------|
| | Year ended March 31, 2013 | Year ended March 31, 2012 |
| Sales & Other Income (Net) | 10866.98 | 11566.31 |
| Profit before interest, Depreciation, tax and extra ordinary items | 576.83 | 979.77 |
| Less : (i) Financial expenses | 281.87 | 290.43 |
| (ii) Depreciation | 227.89 | 222.31 |
| Profit / (Loss) before tax | 67.07 | 467.03 |
| Less: Tax-Provision: | | |
| - Current Tax | 13.65 | 93.48 |
| - Deferred tax liabilities (Assets) | (3.06) | 67.59 |
| - Mat Credit Adjustments | (17.72) | (20.59) |
| Profit / (Loss) after tax | 38.76 | 326.55 |
| Add/ (Less): Excess (Short) tax provisions of earlier years | (0.15) | (0.84) |
| Add: Balance b/f from last year | 916.08 | 590.37 |
| Amount available for appropriation: | 954.69 | 916.08 |
| Appropriation: | | |
| Transfer to / from General Reserve | 0.00 | 0.00 |
| Amount carried to Balance Sheet | 954.69 | 916.08 |

OPERATIONS:

During the year sales and other income declined by 6.5%, and profit before interest, depreciation and tax registered a sharp decrease by over 40%.

DIVIDEND:

In order to plough back the funds, your Directors do not recommend any dividend for the year ended 31st March 2013.

EXPANSION

In the financial year 2013-14, the Company plans to continue to upgrade its existing facilities. Also as the Company has secured orders for new but related product lines, it will have to invest in new equipments and toolings to cater to these requirements. Various new quality monitoring equipments will also have to be added. The Company plans to invest an amount of Rs. 2.50 Crores at its plants at Gurgaon & Daman during the current year to cater to the above requirements. Your Directors are confident that this capital expenditure will yield a reasonable return in the years to come.

EXPORTS

Company's Exports during the year were better at ₹ 1203 lacs, as compared to ₹ 1080 lacs in the previous year. This shows that the Company's products enjoy worldwide acceptability.

REMSONS (EUROPE), our Marketing outfit in Europe, continues to provide excellent commercial & engineering support to the Company's various European OEM customers. Mr. Geoffrey Hill, Director – Business Development also continues to explore new avenues for securing additional export business and hopefully your company will be able to further expand its export sales during the financial year 2013-14.

Mr. John Glover, Director - Engineering, along with Mr. Hill continues to provide essential engineering support which is always required by our OEM customers. Mr. Ashok Goyal at USA is constantly exploring the North American market for good business opportunities.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company continues to make its little contribution for the growth of education. During the year a contribution of ₹ 15,00,000/- (Rupees Fifteen lacs only) was made to 'Rajasthani Sammelan Trust' which runs 'Durgadevi Saraf Institute of Management Studies'.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Report on Management Discussion and Analysis forming part of the Annual Report, inter-alia adequately deals with the operations as also current and future outlook of the Company.

CORPORATE GOVERNANCE

A report on Corporate Governance along with the Auditors' Certificate regarding compliance of the mandatory requirements of the Corporate Governance is separately given in the Annual Report.

FIXED DEPOSITS

During the year, your company did not accept any deposits from the public under section 58A of the Companies Act, 1956.

LISTING

The Equity Shares of your company continue to be listed at the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has paid the requisite listing fees to the said stock exchanges for the financial year 2013-14.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of Companies Act, 1956, the Directors hereby state and confirm that:

- i In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii The Directors have selected such accounting policies and applied them consistently and

made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- iii The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv The Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

In terms of Article 90 of the Articles of Association of the Company, Mr. S. B. Parwal and Mr. V. K. Mahtani, Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment. Members are requested to re-appoint them.

Board of Directors, in its meeting held on 13th February 2013 re-appointed Mr. Krishna Kejriwal as Managing Director and Mrs. Chand Kejriwal as Whole-time Director of the Company. Special resolutions seeking Members' approval to their re-appointments and remuneration payable to them are embodied in the accompanying Notice convening the 41st Annual General Meeting of the Company.

Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting are given in an Annexure to the notice convening 41st Annual General Meeting of the Company.

AUDITORS

M/s. Kanu Doshi Associates, Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Members are requested to re-appoint the statutory auditors.

Members are also requested to authorize the Board of Directors to appoint the Branch Auditors for the Company's Gurgaon branch in consultation with the Statutory Auditors and to fix the remuneration of the Branch Auditors.

COST AUDITORS

Pursuant to MCA Order F. No. 52/26/CAB-2010 dated the 24th January 2012 ordering Cost Audit of the Company's products, M/s. Ashwin Solanki & Associates, Cost Accountants were appointed as Cost Auditors of the Company for the year 2012-13.

In Compliance with the provisions of the Companies (Cost Audit Report) Rules, 2011 and General Circular No 15/2011 issued by Govt. of India, Ministry of Corporate Affairs, we hereby submit that the Company has filed within time the Cost Audit Report dated 11th August 2012 issued by M/s. Ashwin Solanki & Associates, Cost Accountants.

M/s. Ashwin Solanki & Associates, Cost Accountants expressed their unavailability for re-appointment as Cost Auditors for the year 2013-14 due to the Group Audit Rationalization. The Board of Directors, therefore in its meeting held on 27th May 2013 appointed, subject to the approval of the Central Government, M/s Deepak Goyal Associates, Cost Accountants as 'Cost Auditors' of the Company for the year 2013-14.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As required under Section 217 (1) (e) of the Companies Act, 1956, read together with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, the information relating to the foregoing matters is given as under:

a) Conservation of Energy

Your Company's existing activities are not power intensive and hence consumption of power is not significant. However, the Management is conscious of the importance of conservation of energy and reviews the measures to be taken for reduction in the consumption of energy from time to time.

Form A is not applicable to your Company, as it does not fall under the list of Industries specified in the schedule attached to Rule 2.

b) Technology Absorption

- (i) The company has adopted the "Cell System"

production, which has resulted in improved productivity and product quality in line with International Standards.

- (ii) The company follows "Six Sigma Practices" in the context of developing process technology in the manufacture of Automotive Cables.

- (iii) The Company's engineering centre at Gurgaon with modern Testing and Validation Equipments has facilitated undertaking various validation tests for the auto control cables produced by the Company. These validation tests include among others, life test under different climatic conditions from sub-zero to high temperatures to guarantee uniform functioning. Based on various tests, the Engineering team regularly suggests design modifications of the cables to further enhance the efficiency and life of Cables.

c) Foreign Exchange Earnings and Outgo

The information is contained in Notes 38, 40 and 41 in the Notes on accounts.

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

During the year, the Company did not have any employee covered under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended and therefore no particulars are required to be furnished.

ACKNOWLEDGEMENTS

The Board of Directors expresses its appreciation and gratitude to the Bankers, Customers, Suppliers, Employees and above all the Shareholders of the Company for their valuable support and co-operation at all the times.

For and on behalf of the Board of Directors

Mumbai
Dated: May 27, 2013

V.Harlalka
(Chairman)

MANAGEMENT DISCUSSION & ANALYSIS REPORT**Annexure to the Directors Report****1. BUSINESS OVERVIEW**

Four years after the eruption of the global financial crisis, the world economy is still struggling to recover. During 2012, global economic growth has weakened further. The first half of 2013 continues to follow the same pattern. A growing number of developed economies have fallen into a double-dip recession. Growth in the major developing countries and economies in transition has also decelerated notably, reflecting both external vulnerabilities and domestic challenges. Our country is also facing similar demand constraints coupled with high inflation on account of the weakening rupee. Steps taken by the Central Government to stop the slide in the value of the rupee have not borne any fruit, further lowering confidence in the state of the Indian Economy. High Inflation, high rate of interest, mounting negative balance of trade, have all resulted in a GDP projection well below 6%.

Most of the Company's exports are concentrated in the Euro Zone. A weakening rupee against EURO has to some extent helped to counter the increasing cost of all inputs such as Raw Materials, Labor Cost, and Administrative Cost etc. Wide fluctuations hamper the overall competitiveness of the company. Inflationary trends continue to push up prices of all commodities and have adverse impact on the manufacturing costs of the company. Though the overall Indian Automobile Industry has shown marginal growth in its production and domestic sales in the financial year 2012-13, exports were down due to negative global environment fluctuations. Sales across passenger cars, medium & heavy commercial vehicles and two wheelers have been hit amid expensive loans, rising fuel prices and high inflation. The overall economic slowdown too dampened sentiments.

With the slowing down, comes the demand for even more competitive prices which affects the profitability of the company considerably. Your Company is gearing to face all these challenges with suitable steps being taken to continuously improve the quality, reliability and service level of its products.

2. INDUSTRY STRUCTURE & DEVELOPMENTS

While there is constant growth in public transportation, particularly in major metro cities of the country, it is still not

able to keep pace with the growing demand for mobility. Hence there are still a lot of reasons for the Automobile Industry to continue to grow rapidly in all sectors, be it two wheelers, three wheelers, passenger cars and commercial vehicles. This also augurs well for the auto component industry which should be equipped to grow along with the Automobile Industry.

3. OPPORTUNITIES AND THREATS**Opportunities**

All major global automotive OEMs as well as Tier 1 and Tier 2 companies are making their presence felt in India. Most of these companies are constantly trying to source requirements for their global operations from India. This offers an excellent opportunity to all auto component suppliers who are well equipped to produce volumes with committed focus on product and system quality.

Threats

Inflationary pressures continue to push up prices of all commodities besides impacting the cost of manufacturing. Steel products, Non Ferrous Metals, Engineering Plastics & Engineering Plastic & Rubber Components are some of the major raw material inputs of the company and though the steel prices have remained stable during the year, the other major raw material inputs like non ferrous metals, plastics and rubber have been rising constantly on account of inflation. It is very difficult to pass on this increase to the Company's customers in the competitive market and hence the margins are constantly being squeezed.

Rising interest costs is another major threat. It not only slows down the growth of the Automobile Industry in general, but puts tremendous pressure on the profitability of the company.

Warranties, line stoppages, and quality problems have to be monitored very carefully or else they could become major threat to the company's operations.

4. OUTLOOK

Despite the present slow down in the economy, it is expected that the Indian automobile industry as well as auto component industry will continue to grow once conditions improve.

5. RISK AND CONCERNS

A general slowdown in the economy coupled with rising costs which cannot be altogether passed on to the customers, puts continuous pressure on the margins of the company. Though power is not a major cost in the total manufacturing cost of the company, constantly rising power & fuel prices largely affect the overall inflation which results in overall increase in all input costs.

6. PRODUCT WISE BUSINESS REVIEW

During the year under review the Company produced 23.78 million Auto Control Cables as against 27.76 million in the previous year.

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate systems of internal control meant to ensure proper accounting controls, monitoring cost cutting measures, efficiency of operation and protecting assets from their unauthorized use. The internal audit department of the company reviews control measures in the management of risks and opportunities and ensures adherence to operating guidelines and compliance with regard to regulatory and legal requirements.

The Company’s budgetary control system aims to ensure adequate control on the expenditure. The management reviews the actual performance with reference to the predetermined norms and standard on monthly basis.

The Company will have to work hard to maintain its market share without compromising on the quality of its products.

8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

Financial Highlights With Respect To Operational Performance

(₹ In Lacs except in EPS)

| Particulars | 2012-13 | 2011-12 | 2010-11 |
|-------------------|-----------|----------|---------|
| Total Revenue | 10,866.98 | 11566.31 | 9631.02 |
| EBITDA | 576.83 | 979.77 | 716.40 |
| Profit Before tax | 67.07 | 467.03 | 408.72 |
| Profit AfterTax | 38.61 | 326.55 | 339.10 |
| EPS | 0.68 | 5.70 | 5.95 |

9. HUMAN RESOURCES MANAGEMENT

Human Resource base is the greatest asset of the Company. Shortages and challenges of retaining skilled manpower have to be addressed to on a continual basis.

The Company provides necessary training to all its employees and equips them to manage critical business processes to face the challenge of competitive Global market. As on 31st March, 2013, the Company had total 309 (previous year 305) permanent employees.

Cautionary Statement

Statement in this Management Discussion and Analysis report, describing the Company’s objectives projections, estimates, expectations or predictions may be “Forward looking Statements” within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include global and Indian demand-supply conditions, cyclical demand and pricing in the Company’s principal markets, raw material cost and availability, changes in the Government regulations tax regimes, economic development within India and the countries within which the Company conducts business and other factors such as litigation and industrial relations.

CORPORATE GOVERNANCE REPORT
I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

REMSONS' philosophy on corporate governance envisages achieving highest standards of accountability, transparency and equity in all its spheres and in all its dealings with its stakeholders. The Company strongly believes and practices the above sound principles of Corporate Governance. The Company has also adopted the requirements of Corporate Governance under Clause 49 of the Listing Agreements, the disclosure requirements of which are given herein below.

II. BOARD OF DIRECTORS

As on 31st March 2013 the strength of the Board of Directors was eight, comprising of three Executive Directors and five Non-Executive Directors, four of which were independents.

During the Financial year 2012-13, five (5) Meetings of the Board of Directors were held on 26/05/2012, 11/08/2012, 28/09/2012, 10/11/2012 and 13/02/2013. The maximum time-gap between any two consecutive meetings did not exceed four months.

The composition of the Board, attendance of directors at the Board Meetings, Annual General Meeting and the number of companies and committees, where they are a director / member are given below:

Composition and category :

| Sr. No. | Name of Director | Designation | Category of Directorship | Relationship with other directors | Director in other Companies including Pvt Ltd cos. | No. of other Companies in which Member or Chairman of any Committee | No. of shares held as on 31 st March 2013 |
|---------|------------------------|--------------------------|--|--|--|---|--|
| 1. | Mr. V. Harlalka | Chairman | Promoter, Non-Executive, Non-independent | Relative of Mrs. C. Kejriwal and Mr. K.Kejriwal | -- | -- | -- |
| 2. | Mr. K. Kejriwal | Managing Director | Promoter, Executive | Relative of Mrs. C. Kejriwal and Mr. V. Harlalka | -- | -- | 1579494 |
| 3. | Mrs. C. Kejriwal | Whole-time Director | Promoter, Executive | Relative of Mr. K. Kejriwal and Mr. V. Harlalka | -- | -- | 1463141 |
| 4. | Mr. Ming Ching Tan | Director | Independent, Non-Executive | -- | -- | -- | -- |
| 5. | MR. S.B. Parwal | Director | Independent, Non-Executive | -- | 1 | -- | 157 |
| 6. | Mr. S. Agarwal | Director | Independent, Non-Executive | -- | -- | -- | 500 |
| 7. | Mr. V. K. Mahtani | Director | Independent, Non-Executive | -- | -- | -- | -- |
| 8. | Mr. Anil Kumar Agrawal | Director - Finance & CFO | Executive | -- | -- | -- | 28 |

Shareholdings shown in the above table is the Directors' individual holding. Shares held in the name of their HUF are not considered.

Number of Meetings attended by the Directors

| Sr. No. | Name of Director | No. of Board Meetings attended out of five meetings held during 2012-13 | Whether attended previous AGM held on 27th Sept. 2012 |
|---------|------------------------|---|---|
| 1 | Mr. V. Harlalka | 5 | Yes |
| 2 | Mr. K. Kejriwal | 4 | Yes |
| 3 | Mrs. C. Kejriwal | 4 | No |
| 4 | Mr. Ming Ching Tan | - | No |
| 5 | MR. S.B. Parwal | 5 | Yes |
| 6 | Mr. S. Agarwal | 1 | No |
| 7 | Mr. V. K. Mahtani | 3 | No |
| 8 | Mrs. Saroj N. Rao | 1 | No |
| 9 | Mr. Anil Kumar Agrawal | 3 | Yes |

Mrs. Saroj N. Rao, Independent Director resigned on 11th August 2012. On the same day, i.e. 11th August 2012 Mr. Anil Kumar Agrawal was co-opted by the Board of Directors as Director – Finance, designated as Director Finance & CFO.

Details / Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting is given in an Annexure to the Notice convening 41st Annual General Meeting of the Company.

III. COMMITTEES OF THE BOARD

A. Audit Committee:

(a) Composition:

The Audit Committee of the Board of Directors comprises of following Non – Executive / Independent Directors as on 31st March 2013:

- | | | |
|----|-------------------|----------|
| 1. | Mr. S. B. Parwal | Chairman |
| 2. | Mr. V. K. Mahtani | Member |
| 3. | Mr. V. Harlalka | Member |

Mr. Sukhdeo Purohit, Company Secretary, acts as the Secretary to the Committee.

Whereas Mr. S. B. Parwal, Chairman is a commerce graduate from University of Indore, Mr. V.K. Mahtani, Member of the Audit Committee is a commerce graduate from St. Joseph College of Yokohama, Japan and runs his own business. Mr. V. Harlalka, Member of the Audit Committee is Inter (Science) from University of Calcutta.

All the members of the Audit Committee are leading businessmen / administrators and have fair accounting or related financial management expertise.

(b) Meetings and Attendance:

During the year, FOUR (4) meetings of the Members of the Audit Committee were held on 26/05/2012, 11/08/2012, 10/11/2012 and 13/02/2013. Not more than four (4) months elapsed between two meetings.

Except Mr. V.K. Mahtani, who could not attend the meeting held on 10/11/12, all the Members attended all FOUR committee meetings held during the year.

(c) Broad Terms of Reference:

The role of Audit Committee includes the following-

- ❖ To oversee the Company's financial information disclosure, review the adequacy of internal control systems.
- ❖ Recommending the appointment and removal of external auditors, fixations of audit fees and also approval for payment for any other services.
- ❖ Discussions with External Auditors before the audit commences; the nature and the scope of Audit as well as have post audit discussion.

- ❖ Discussion with internal Auditors on any significant findings and follow up thereon.
- ❖ Reviewing the finding of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- ❖ To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit report.
- ❖ To review the un-audited financial statements before submission to the Board.
- ❖ Reviewing the Company's financial and risk management policies.

Reviewing with management the annual financial statements before submission to the board, focusing primarily on;

- 1 Any changes in accounting policies and practices.
- 2 Major accounting entries based on exercise of judgment by management.
- 3 Qualifications in draft audit report.
- 4 Significant adjustments arising out of audit.
- 5 The going concern assumption.
- 6 Compliance with accounting standards
- 7 Compliance with stock exchanges and legal requirements concerning financial statements.
- 8 Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

(d) Subsidiary Companies:

Provision regarding the above as stipulated under clause 49 was not applicable, as the Company has no subsidiary Company.

B. Remuneration Committee:

The Remuneration Committee of the Board of Directors comprises of following Directors as on 31st March 2013:

- | | | |
|----|-------------------|----------|
| 1. | Mr. S. Agarwal | Chairman |
| 2. | Mr. V. K. Mahtani | Member |
| 3. | Mr. S. B. Parwal | Member |

Three meetings of the Remuneration Committee were held during the year on 26th May 2012, 11th August 2012 and 13th February 2013. Mrs. Saroj N. Rao, then Chairperson of the meeting attended only one meeting held on 11th August 2012 and she resigned on that date as Director as well as Chairperson of the Remuneration Committee. Mr. S. Agarwal was appointed as Chairman of the Committee on 11th August 2012. However, he could not attend any meeting in the year. Mr. V. K. Mahtani and Mr. S.B. Parwal attended all the three meetings held during the year.

All the Members of the Remuneration Committee are Independent Directors.

The Remuneration Committee reviews the Company's policy on specific remuneration packages for Managing Director, Whole-time Director, Director - Finance and persons holding office of profit under section 314 of the Companies Act, 1956. The Committee approves the managerial remuneration as per the policy.

The remuneration policy of the Company aims to ensure that the remuneration practices are competitive, thereby enabling the Company to attract and retain executives of high caliber.

While determining the remuneration consideration is given to:

1. Managerial compensation survey done by leading management consultants.
2. Inflation element.
3. Critical job attributes.
4. Capacity of the Company to pay.
5. Remuneration practices of companies of a size and standing, similar to the Company.
 - The compensation is determined at the time of hiring.
 - Personal attributes and suitability of the candidate for the post is given a preference.
 - The growth of employee depends on individual performance.
 - The performance is reviewed as per Performance Manual System. According to the Performance manual System, the goals are set for individual employee and are reviewed periodically.
 - The performance of the Executive Directors is reviewed on a monthly basis as per Business Plan.

Remuneration to Executive Directors :

| Sr.No. | Name | Position | Salary & Perks (₹) |
|--------|------------------------|--------------------------|----------------------|
| 1. | Mr. K. Kejriwal | Managing Director | 15,63,668 |
| 2. | Mrs. C. Kejriwal | Whole-time Director | 10,35,742 |
| 3. | Mr. Anil Kumar Agrawal | Director – Finance & CFO | 13,32,929 |

Remuneration to Non-Executive Directors:

| Sr.No. | Name | Position | Sitting Fees (₹) |
|--------|--------------------|-------------------------------------|--------------------|
| 1. | Mr. V. Harlalka | Chairman, Non Executive Director | 25,000 |
| 2. | Mr. Ming Ching Tan | Independent, Non Executive Director | - |
| 3. | Mr. S. Agarwal | Independent, Non Executive Director | 5,000 |
| 4. | Mr. V. K. Mahtani | Independent, Non-Executive Director | 15,000 |
| 5. | Mr. S.B. Parwal | Independent, Non-Executive Director | 25,000 |
| 6. | Mrs. Saroj N. Rao | Independent, Non-Executive Director | 5,000 |

The Executive Directors are paid remuneration as per the Board Resolutions and/or Agreements entered between them and the Company. Main terms of the Board Resolutions or Agreements are placed for approval before the Board and the shareholders and such authorities as may be necessary. The remuneration structure of the Executive Directors may comprise of salary, perquisites, contributions to provident fund and gratuity. Executive Directors are not paid sitting fees for attending Board Meetings. The non-executive directors do not draw any remuneration from the Company except sitting fees.

No commission is paid to any Director.

The company has not given any stock option to the Executive and Non Executive Directors.

Managerial Remuneration paid to Mr. K. Kejriwal, Managing Director, Mrs. C. Kejriwal, Whole-time Director and Mr. Anil Kumar Agrawal, Director – Finance & CFO of the Company has approval of the Remuneration Committee.

C. Share Transfer & Shareholders' / Investors' Grievance Committee

The Committee consists of following Directors as on 31st March 2013:

| | | |
|------------------|---|----------|
| Mr. V. Harlalka | - | Chairman |
| Mr. K. Kejriwal | - | Member |
| Mr. S. B. Parwal | - | Member |

The Board has designated Mr. Sukhdeo Purohit, Company Secretary as the Compliance Officer.

The Committee meets to look into the grievances of the shareholders and investors. The terms of reference as laid down by the Board of Directors are as follows:

- 1) To ensure that the application for registration of transfer, transmission, transposition of Equity Shares lodged by the Shareholders/Investors are disposed of in the stipulated time.

- 2) To look into the redressing of Shareholders' and Investors' complaints regarding non-receipt of Annual Report or dividend declared, change of address etc.

During the year two meetings of the Share Transfer & Shareholders'/ Investors' Grievances Committee were held on 11th August 2012 and 13th February 2013 and all the Members of the Committee were present in both the meetings.

M/s Sharex Dynamic (India) Pvt. Limited, RTA of the Company has certified that no complaints from shareholders/ investors were received during the year under review. Further, there were no pending transfers or complaints with them as on 31.03.2013.

IV. General Body Meetings:

i) General Meetings

(a) Annual General Meeting

Particulars of last three Annual General Meetings;

| Financial Year | Date & Time | Venue |
|----------------|--|---|
| 2009-2010 | 27 th July 2010 at 4 p.m | 88-B, Govt. Industrial Estate, Kandivli (W), Mumbai – 400 067 |
| 2010-2011 | 25 th August 2011 at 4 p.m. | 88-B, Govt. Industrial Estate, Kandivli (W), Mumbai – 400 067 |
| 2011-2012 | 27 th September 2012 at 4 p.m | 88-B, Govt. Industrial Estate, Kandivli (W), Mumbai – 400 067 |

II) Postal Ballot

No Special resolution was passed through postal ballot during the financial year 2012-13. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

III) Special Resolutions

No special resolutions were passed at Annual General Meetings of the Company held on 27th July 2010 and 25th August 2011, though one special resolution was passed at last Annual General Meeting held on 27th September 2012. Two Special Resolutions are proposed for the forthcoming Annual General Meeting scheduled to be held on 26th September 2013.

V. Disclosures:

Disclosures on materially significant related party transactions:

Related parties Disclosures are made at Note 43 in the Notes forming part of the Financial Statement. According to the Board of Directors, there were no materially significant transactions with the related parties viz. Promoters, Directors or the Management, their subsidiaries or relatives, which may have potential conflict with the interest of the Company at large.

Code of Conduct

The Board has laid down a Code of Conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The Code of Conduct has been posted on the website of the Company www.remsons.com.

In compliance with the code, directors and senior management of the Company have affirmed compliance with the code for year ended on March 31, 2013. A declaration signed by the Managing Director / CEO to this effect is given at the end of this Report.

CEO / CFO Certification

In terms of Clause 49 (V) of the Listing Agreement, the Managing Director and Director – Finance & CFO have furnished the requisite certificate to the Board of Directors for the year under review and the same was placed at the meeting of the Board of Directors held on 27th May 2013.

Cases of Non-compliance / Penalties

During the last three years, there were no strictures or penalties imposed by either SEBI or the stock exchanges or any statutory authority for non-compliance of any matter related to the Capital Markets.

VI. Means of Communication:

The quarterly and yearly financial results of the Company are sent to the Stock Exchanges immediately after approval of the Board of Directors. Un-audited results are widely published in Free Press Journal (English) and Nav Shakti (Marathi) newspapers and also put on Company's Website www.remsons.com. Notices for Board Meetings pursuant to Clause 41 of the Listing Agreements are also published in Free Press Journal (English) and Nav Shakti (Marathi).

Management Discussion and Analysis Report is separately given in this Annual Report.

VII. General Shareholder Information:

A. Annual General Meeting

Date, Time & Venue

Date : 26.09.2013

Time : 4.00 p.m.

Venue : 88-B, Government Industrial Estate,
Kandivli (West), Mumbai – 400 067.

B. Financial Calendar:

Financial Year : 1st April 2013 to 31st March 2014:

Results for the Quarter : In the second week of August 2013 ending 30th June 2013 or within 45 days from the end of the quarter pursuant to the provisions of the Listing Agreements.

Results for the Quarter : In the second week of November ending 30th Sept. 2013 2013 or within 45 days from the end of the quarter pursuant to the provisions of the Listing Agreements.

Results for the Quarter : In the second week of February ending 31st Dec. 2013 2014 or within 45 days from the end of the quarter pursuant to the provisions of the Listing Agreements.

Audited Results for the: In the Last week of May, 2014 or Quarter as well as year within 60 days from the end of the ending 31st March 2014 quarter pursuant to the provisions of the Listing Agreements along with the duly audited accounts.

C. Book Closure : From Thursday, 19.09.2013 to Thursday, 26.09.2013, both days inclusive for the purpose of Annual General Meeting.

The Board of Directors has not recommended any dividend on equity shares for the year ended 31st March 2013.

D. Listing on Stock Exchange(s):

The Equity Shares of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Listing fees for the year 2013-14 have been paid to both of them. Annual Issuer / Custody Fees for the year 2013-14 have also been paid to both the depositories i.e. NSDL and CDSL.

E. Stock Code

Trading Symbol at:

a. BSE Limited :
530919 REMSONQ

b. National Stock Exchange of India Ltd :
REMSONSIND

Demat ISIN Number in NSDL and CDSL :
INE 474C01015

F. Market Price Data

The details of high/low market price of the shares at BSE and NSE are as under:

| Month 2012-2013 | BSE | | SENSEX | | NSE | | S & P CNX Nifty | |
|--------------------|-------------|------------|----------|----------|-------------|------------|-----------------|---------|
| | High (₹) | Low (₹) | High | Low | High (₹) | Low (₹) | High | Low |
| April 12 | 27.85 | 24.60 | 17664.10 | 17010.16 | 29.90 | 23.75 | 5378.75 | 5154.30 |
| May 12 | 28.30 | 23.60 | 17432.33 | 15809.71 | 33.60 | 29.50 | 5279.60 | 4788.95 |
| June 12 | 25.75 | 22.30 | 17448.48 | 15748.98 | 25.85 | 21.95 | 5286.25 | 4770.35 |
| July 12 | 26.25 | 23.10 | 17631.19 | 16598.48 | 26.85 | 23.00 | 5348.55 | 5032.40 |
| Aug. 12 | 27.00 | 23.15 | 17972.54 | 17026.97 | 26.00 | 22.85 | 5448.60 | 5164.65 |
| Sept. 12 | 24.30 | 19.10 | 18869.94 | 17250.80 | 21.90 | 18.55 | 5735.15 | 5215.70 |
| Oct. 12 | 20.70 | 17.20 | 19137.29 | 18393.42 | 20.10 | 18.10 | 5815.35 | 4888.20 |
| Nov. 12 | 20.60 | 18.35 | 19372.70 | 18255.69 | 18.15 | 18.15 | 5885.25 | 5548.35 |
| Dec.12 | 22.40 | 19.20 | 19612.18 | 19149.03 | 26.25 | 20.40 | 5965.15 | 5823.15 |
| Jan. 13 | 23.50 | 17.65 | 20203.66 | 19508.93 | 26.45 | 17.00 | 6111.80 | 5935.20 |
| Feb.13 | 19.30 | 15.25 | 19966.69 | 18793.97 | 16.75 | 14.25 | 6052.95 | 5671.90 |
| March13 | 17.90 | 13.35 | 19754.66 | 18568.43 | 14.95 | 13.65 | 5971.20 | 5604.85 |

Source : www.bseindia.com and www.nseindia.com

G. Share Transfer Agents:

M/s. Sharex Dynamic (India) Private Limited
Unit 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Mumbai - 400 072.
Tel :- 022-28515606, 28515644, Fax :- 022-28512885
E-Mail :- sharexindia@vsnl.com

along with the transfer deeds are returned. A practicing Company Secretary periodically issues certificates under Clause 47(C) of the Listing Agreement. A Practicing Company Secretary also conducts Secretarial Audit periodically and the Reconciliation of Share capital (Secretarial Audit) Report issued by him showing total shareholding in physical and electronic mode is filed every quarter with the stock exchanges.

H. Share Transfer System:

Registrar and Transfer Agents (RTA) are authorized to process the application of transfer of shares in physical mode or in Electronic form. The RTA approves and disposes of all valid requests for dematerialization of shares within stipulated time. RTA also makes proper scrutiny of each application for transfer or transmission of physical shares and forwards all valid transfer deeds to the Company for approval. For speedy disposal of the matters, the Board has authorized Mr. Sukhdeo Purohit, Company Secretary to approve all valid share transfer / transmission applications, duly processed by RTA. The share certificates are transferred, dematerialized or returned within the time prescribed by the authorities. In case of objections, the share certificates

I. Distribution of Shareholding

The Distribution Schedule on equity shares as on 31st March 2013 is given below:

| Shareholding Range(s) | | Holders | | Total Shares Held | |
|-----------------------|---------|-------------|---------------|-------------------|---------------|
| From | To | Number | % | Number | % |
| 1 | 100 | 673 | 51.69 | 46976 | 0.82 |
| 101 | 200 | 189 | 14.52 | 35416 | 0.62 |
| 201 | 500 | 231 | 17.74 | 90012 | 1.58 |
| 501 | 1000 | 89 | 6.84 | 71859 | 1.26 |
| 1001 | 5000 | 79 | 6.07 | 167281 | 2.93 |
| 5001 | 10000 | 18 | 1.38 | 127250 | 2.23 |
| 10001 | 100000 | 15 | 1.15 | 453135 | 7.93 |
| 100001 | & above | 8 | 0.61 | 4721428 | 82.64 |
| Total | | 1302 | 100.00 | 5713357 | 100.00 |

2. Shareholding Pattern as on 31st March 2013

| Category | No. of shares held | % of shareholding |
|---|--------------------|-------------------|
| A Promoters' Holding | | |
| 1. Promoters | | |
| Indian Promoters– Individuals, HUF | 4166651 | 72.928 |
| Bodies Corporates | 118357 | 2.072 |
| Foreign Promoters | -- | -- |
| Total (A) | 4285008 | 75.000 |
| B Non-Promoters' Holding | | |
| 1 Institutional Investors | | |
| Mutual Funds, UTI, FII | -- | -- |
| Banks, Financial Institutions, Insurance Companies | 100 | 0.002 |
| Venture Capital Fund | 500 | 0.009 |
| Sub-total (B 1) | 600 | 0.011 |
| 2 Others | | |
| Private Corporate Bodies | 638415 | 11.174 |
| Indian Public | 783174 | 13.708 |
| NRI / OCBs | 6160 | 0.108 |
| Sub-Total (B2) | 1427749 | 24.990 |
| Sub-Total (B1+ B2) | 1428349 | 25.000 |
| Grand Total (A+B) | 5713357 | 100.000 |

Note:

- None of the promoters have pledged their shares with any Bank or financial institution. The Company has been regularly filing returns with the prescribed authorities from time to time.
- All the shares held by Promoters and their Associates are in dematerialized mode.

J. Dematerialization of shares:

93.81% (53,59,603 Shares) of total equity is held in dematerialized form with NSDL and 4.40% (2,51,437 shares) of total equity is held in dematerialized form with CDSL as on 31-03-2013

K. Outstanding GDRs / ADRs / Warrants / Options:

The Company has not issued any GDRs or ADRs, Warrants or Convertible instruments.

L. Plant Locations:

- 1/3 Mile Stone, Khandsa Road, **Gurgaon** – 122001
- '**Western House**' A2/27, Somnath Industrial Estate, **Daman** - 396210 – (Daman Unit No. 1)
- '**Diamond House**' A2/3&4, Somnath Industrial Estate, **Daman** - 396210 – (Daman Unit No. 2)
- '**Goodluck House**', Survey No. 729 /1, Ringanwada, Village Dabhel, **Daman** - 396210 (Daman Unit No. 3)
- '**Golden House**' Survey No. 647 /1A at Village – Dunetha, **Daman** - 396210
- Survey No. 146, Vilege Khadki, **Pardi** – 396121 (Guj.)

M. Investor Correspondence address:

(i) For transfer / dematerialisation of shares, payment of dividends etc :

M/s. Sharex Dynamic (India) Private Limited
Unit-1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road, Andheri (East)
Mumbai - 400 072.
Tel -: 022-28515606, 28515644, Fax -: 022-28512885
E-Mail :- sharexindia@vsnl.com

(ii) For Annual Report and other queries :

Secretarial Department
Remsons Industries Limited,
88B, Govt. Indl. Estate,
Kandivli (West),
Mumbai – 400 067.
Tel : 022-28683883, 022-28684452, 022-61432100
Fax : 022-28682487
E-mail : remsons@vsnl.com

N. Non Mandatory Requirements:

The Company has adopted the following Non Mandatory Requirements on the Corporate Governance, recommended under Clause 49 of the Listing Agreements:

1. Chairman's Office:

The Company maintains Office of the Chairman at its Registered Office at 88-B, Government Industrial Estate, Kandivli (West), Mumbai – 400 067 and reimburses to him the expenses incurred in performance of his duties. There were however, no expenses incurred by the Chairman during the year.

2. Remuneration Committee:

The Company has constituted a Remuneration Committee. Terms of Reference of the Committee and other particulars have been described at above.

3. Shareholders' Rights:

The quarterly financial results of the Company are published in the newspapers and also displayed on the website of the Company. These results are also available in the websites of BSE and NSE. However, the results are not separately circulated to the shareholders.

4. Postal Ballot:

No resolution was passed through Postal Ballots during the year. The Company shall follow the complete procedure laid down in Section 192A and other applicable provisions of the Companies Act, 1956 read

with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, while passing any resolution through Postal Ballots.

5. Whistle Blower Policy

Though, the Company has not yet established any formal Whistle Blower Policy, it affirms that no person has been denied access to the audit committee.

Declaration on Code of Conduct:

The Board has laid down a code of conduct for all Board Members and Senior Management of the Company, which has been posted on the website of the Company.

In accordance with Clause 49 I (D) of the Listing Agreement with the stock exchanges, I hereby confirm that all the Directors and the senior management personnel of the Company have affirmed compliance with the aforesaid code of conduct as applicable to them during the financial year ended on March 31, 2013.

For Remsons Industries Limited

Place: Mumbai
Date: May 27, 2013

K. Kejriwal
Managing Director

CERTIFICATE

To the Members of
Remsons Industries Limited

We have examined the compliance of conditions of Corporate Governance by Remsons Industries Limited (the Company) for the year-ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreements entered in to with the stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

We state that no investor grievances as at March 31, 2013 are pending for a period exceeding one month against the Company as per the records maintained by the Share Registrar & reviewed by the Shareholder / Investors Grievance Committee.

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

For **KANU DOSHI ASSOCIATES**
Chartered Accountants
Firm Regn. No. : 104746W

Place: Mumbai
Date: 27th May, 2013

ANKIT PAREKH
Partner
Membership No.114622

INDEPENDENT AUDITORS' REPORT**To the Members of
REMSONS INDUSTRIES LIMITED****Report on the Financial Statements**

We have audited accompanying financial statements of REMSONS INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management' Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in

the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, ("the order") as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our

audit have been received from the Gurgaon branch audited by other auditors.

- c) The Branch Auditors' report of the Gurgaon branch has been forwarded to us and the same has been appropriately dealt with in the preparation of this report.
- d) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- e) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- f) On the basis of the written representations received from the directors, as on March 31, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For Kanu Doshi Associates
Chartered Accountants
Firm Registration Number: 104746W

Place: Mumbai
Date: May 27, 2013

ANKIT PAREKH
Partner
Membership No. 114622

**ANNEXURE TO THE AUDITORS' REPORT
(Referred to in Paragraph 1 under the heading of
"Report on Other Legal and Regulatory
Requirements" of our report of even date on the
accounts of REMSONS INDUSTRIES LIMITED for
the year ended March 31, 2013)**

- i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a programme for Physical verification on a rotational basis, which, in our opinion, is reasonable having regard to the size of the company and the nature of its business. Accordingly, certain Fixed Assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
(c) The company has not disposed off a substantial part of fixed assets during the year.
- ii) (a) We are informed that the physical verification of inventories has been conducted by the management at reasonable intervals except for stock-in-transit and materials lying with third parties.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company has maintained proper records of inventories. The discrepancies noticed during the physical verification of stocks as compared to the book records were not material and the same have been properly dealt with in the books of account.
- iii) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and accordingly the sub-clauses (b), (c) and (d) of clause (iii) are not applicable to the company.
(b) The company has taken unsecured loans from



REMSONS INDUSTRIES LTD.

directors and other parties covered in the register maintained under Section 301 of the Companies Act, 1956, the details of which are given below

| Loan taken from | No. of Parties | Maximum Balance o/s (in ₹) | Closing Balance (in ₹) |
|-----------------|----------------|----------------------------|------------------------|
| Directors | 2 | 71,933,886/- | 71,933,886/- |
| Others | 5 | 11,957,481/- | 11,957,481/- |

- (c) In our opinion, the rate of interest of these loans taken by the Company is not, prima facie, prejudicial to the interest of the Company. However, in the absence of any stipulations in respect of other terms and conditions of these loans, we are unable to comment in respect thereof.
- (d) In the absence of stipulations in respect of the terms of payment of principal amount of the aforesaid loans, we are unable to comment whether payment of principal is regular. Payment of Interest on such loans is regular.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- v) (a) According to the information and explanations given to us, we are of the opinion that transactions that need to be entered in the register required to be maintained under section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of each

party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.

- vi) The Company has not accepted any deposits from the public within the meaning of the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules made there under. Hence, clause (vi) of the order is not applicable.
- vii) The internal audit functions of the company have been carried out during the year by a firm of Chartered Accountants appointed by the management and the same is commensurate with the size of the Company and nature of its business.
- viii) The Central Government has prescribed under Section 209(1) (d) of the Companies Act, 1956 maintenance of cost record for auto ancillary products. As per the certificate issued by the Cost Accountant, the company has maintained the prescribed accounts and records. However, we have not examined the records to determine whether they are accurate or complete.
- ix) (a) According to the information and explanations given to us and on the basis of records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, details of dues of sales tax, income tax, customs duty, wealth tax, excise duty, service tax and cess which have not been deposited as on March 31, 2013 on account of any disputes are given below:

| Name of the statute | Nature of dues | Amount (₹) | Forum where the dispute is pending |
|--------------------------|---|------------|--|
| Central Excise Act, 1944 | Service Tax (Aug 2002 to April 2003) | 52,687/- | Central Excise and Service Tax Appellate Tribunal, Mumbai. |

- x) The Company has no accumulated losses at the end of the year and it has not incurred cash losses in the current year or in the immediately preceding financial year.
- xi) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.
- xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments hence the provisions of the clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) According to the information and explanations given to us and the representations made by the management, the Company has not given any guarantees for loans taken by others from any Bank or financial institution.
- xvi) The Company has not taken any fresh term loan during the year.
- xvii) According to the information and explanations given to us, and on an overall examination of the balance sheet of the Company, funds raised on short-term basis have, prima facie, have not been used during the year for long-term investments.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- xix) According to the information and explanations given to us and the records examined by us, no debentures were issued by the company during the year.
- xx) The Company has not raised any money by way of public issues during the year.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For Kanu Doshi Associates
Chartered Accountants
Firm Registration Number: 104746W

Place: Mumbai
Date: May 27, 2013

ANKIT PAREKH
Partner
Membership No. 114622

BALANCE SHEET AS AT 31ST MARCH

| | Notes | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|---|--------------------------------|-------------------|--------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholders' funds | | | |
| a) Share capital | 1 | 571.34 | 571.34 |
| b) Reserves and surplus | 2 | 970.94 | 932.33 |
| | | 1,542.28 | 1,503.67 |
| (2) Non-current liabilities | | | |
| a) Long-term borrowings | 3 | 839.20 | 954.58 |
| b) Deferred tax liabilities (Net) | 27 | 210.15 | 213.21 |
| c) Other Long term liabilities | 4 | 20.68 | 17.64 |
| d) Long-term provisions | 5 | 12.23 | 10.82 |
| | | 1,082.26 | 1,196.25 |
| (3) Current liabilities | | | |
| a) Short-term borrowings | 6 | 1,538.68 | 1,636.35 |
| b) Trade payables | 32 | 919.61 | 1,325.05 |
| c) Other current liabilities | 7 | 278.11 | 291.63 |
| d) Short-term provisions | 8 | 44.35 | 14.59 |
| | | 2,780.75 | 3,267.62 |
| TOTAL | | 5,405.29 | 5,967.54 |
| II ASSETS | | | |
| (1) Non-current assets | | | |
| a) Fixed assets | 9 | | |
| i) Tangible assets | | 2,024.75 | 2,123.86 |
| ii) Intangible assets | | 16.96 | 0.79 |
| iii) Capital work-in-progress (Refer Note 33) | | 6.66 | -- |
| b) Non-current investments | 10 | 2.26 | 2.26 |
| c) Long-term loans and advances | 11 | 130.72 | 142.29 |
| d) Other non-current assets | 12 | 1.45 | 0.89 |
| | | 2,182.80 | 2,270.09 |
| (2) Current assets | | | |
| a) Inventories | 13 | 1,279.53 | 1,588.87 |
| b) Trade receivables | 14 | 1,753.44 | 1,864.75 |
| c) Cash & Bank Balances | 15 | 15.11 | 75.03 |
| d) Short-term loans and advances | 16 | 148.72 | 168.26 |
| e) Other current assets | 17 | 25.69 | 0.54 |
| | | 3,222.49 | 3,697.45 |
| TOTAL | | 5,405.29 | 5,967.54 |
| Significant accounting policies | 25 | | |
| Notes to accounts | 26-48 | | |
| As per our report of even date | For and on behalf of the Board | | |
| For Kanu Doshi Associates | | | |
| Chartered Accountants | | | |
| Firm Reg. No. 104746W | V.Harlalka | | Chairman |
| Ankit Parekh | K.Kejriwal | | Managing Director |
| Partner | Anil Kumar Agrawal | | Director - Finance & CFO |
| Mem. No. 114622 | | | |
| Place : Mumbai | | | |
| Dated : 27th May, 2013 | Sukhdeo Purohit | | Company Secretary |

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH

| | Notes | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|---|--------|-------------------|-------------------|
| INCOME | | | |
| Revenue from operations | 18 | 12,033.99 | 12,646.63 |
| Less : Excise duty | 45 (b) | 1,198.84 | 1,127.90 |
| Revenue from operations (net) | | 10,835.15 | 11,518.73 |
| Other income | 19 | 31.83 | 47.58 |
| Total Revenue (I) | | 10,866.98 | 11,566.31 |
| EXPENSES : | | | |
| Cost of materials consumed | 20 | 6,208.00 | 7,005.04 |
| Purchases of traded goods | | 30.12 | 33.87 |
| (Increase)/decrease in inventories | 21 | 285.82 | (353.71) |
| Employee benefits expenses | 22 | 1,488.25 | 1,420.51 |
| Finance costs | 23 | 281.87 | 290.43 |
| Depreciation and amortization expense | 9 & 37 | 227.89 | 222.31 |
| Other expenses | 24 | 2,277.96 | 2,480.83 |
| Total expenses (II) | | 10,799.91 | 11,099.28 |
| Profit before tax | | 67.07 | 467.03 |
| Tax expense: | | | |
| Less : Current tax | | 13.50 | 93.40 |
| Less : MAT Credit Adjustment / (Entitlement) | | 17.72 | (20.59) |
| Less : Deferred tax Liabilities /(Assets) | 27 | (3.06) | 67.59 |
| Less : Wealth tax | | 0.15 | 0.08 |
| Less : Short (Excess) provisions for Income Tax for earlier years | | 0.15 | 0.84 |
| Profit after tax for the year | | 38.61 | 325.71 |
| Earnings per equity share (Face value of share ₹ 10/-) | 29 | | |
| Basic (₹) | | 0.68 | 5.70 |
| Diluted (₹) | | 0.68 | 5.70 |

Significant accounting policies

Notes to accounts

25

26-48

As per our report of even date

For and on behalf of the Board

For Kanu Doshi Associates

Chartered Accountants
Firm Reg. No. 104746W

V.Harlalka

Chairman

Ankit Parekh

K.Kejriwal

Managing Director

Partner

Anil Kumar Agrawal

Director - Finance & CFO

Mem. No. 114622

Place : Mumbai

Dated : 27th May, 2013

Sukhdeo Purohit

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR 2012-13

| | (2012-13) ₹ in Lacs | (2011-12) ₹ in Lacs |
|---|------------------------|------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| NET PROFIT BEFORE TAX AND EXTRA-ORDINARY ITEMS : | 67.07 | 467.03 |
| Adjustment for: | | |
| Depreciation and Amortisation Expenses | 227.89 | 222.31 |
| Finance Cost | 280.67 | 287.63 |
| Profit (Loss) on sale / Discard of fixed assets (Net) | (0.24) | 0.29 |
| Interest Income | (2.66) | (2.37) |
| Dividend Received | (0.01) | (2.51) |
| Provision for doubtful debts | -- | 0.78 |
| Finance Cost- Income Tax Interest | 1.20 | 2.80 |
| Retirement Benefits | 20.09 | 6.60 |
| | <u>526.94</u> | <u>515.53</u> |
| Operating profit before working capital changes | 594.01 | 982.56 |
| ADJUSTMENTS FOR: | | |
| Trade and other receivables | 111.30 | (34.57) |
| Loan & Advance | (27.66) | 45.77 |
| Inventories | 309.34 | (343.99) |
| Trade and other payables | (374.10) | (406.12) |
| Retirement Benefit | (2.80) | (18.27) |
| | <u>16.08</u> | <u>(757.18)</u> |
| Cash generated from operations | 610.09 | 225.38 |
| Direct taxes paid | (0.72) | (127.55) |
| | <u>(0.72)</u> | <u>(127.55)</u> |
| Net cash from operating activities | <u>609.37</u> | <u>97.83</u> |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Advance Paid & Purchase of fixed asset | (145.06) | (381.37) |
| Sale of fixed assets | 9.53 | 9.77 |
| Interest Income | 2.85 | 2.37 |
| Dividend Received | 0.01 | 2.51 |
| Net cash used in investing activities | <u>(132.67)</u> | <u>(366.72)</u> |
| | 476.70 | (268.89) |

C. CASH FLOW FROM FINANCING ACTIVITIES:

| | | |
|---|-----------------|---------------|
| Repayments of Long Term Borrowings (Net) | (115.37) | (72.97) |
| Short Term Borrowings (Net) | (139.48) | 681.72 |
| Finance Cost | (280.67) | (287.63) |
| Net cash used in financing activities | (535.52) | 321.14 |
| Net increase in cash and cash equivalents | (58.84) | 52.26 |
| Cash and Cash equivalents as at 01-04-12 (Opening Balance) | 73.95 | 21.69 |
| Cash and cash equivalents as at 31-03-13 (Closing Balance) | 15.11 | 73.95 |

Note :

1. Cash flow statement has been prepared under the indirect method as set out in the accounting standard-3" Cash flow statements" as specified in the companies (Accounting Standards) Rules, 2006.
2. Cash and Cash equivalents includes short term deposits (original maturity of more than 3 months) with banks.

As per our report of even date
For Kanu Doshi Associates
 Chartered Accountants
 Firm Reg. No. 104746W
Ankit Parekh
Partner
 Mem. No. 114622
 Place : Mumbai
 Dated : 27th May, 2013

For and on behalf of the Board

V.Harlalka
K.Kejriwal
Anil Kumar Agrawal

Chairman
 Managing Director
 Director - Finance & CFO

Sukhdeo Purohit

Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 1 :
SHAREHOLDERS' FUND

| SHARE CAPITAL | 2013 | | 2012 | |
|--|-----------------|------------------|-----------------|------------------|
| | Number | ₹ in Lacs | Number | ₹ in Lacs |
| i) Authorised Shares Capital | | | | |
| Equity Shares of Rs. 10 each | 12000000 | 1,200.00 | 12000000 | 1,200.00 |
| ii) Issued, Subscribed & fully paid -up Capital | | | | |
| Equity Shares of Rs. 10 each | 5713357 | 571.34 | 5713357 | 571.34 |
| Total | 5713357 | 571.34 | 5713357 | 571.34 |

iii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period .

| Equity Shares | 2013 | | 2012 | |
|---|---------------|------------------|---------------|------------------|
| | Number | ₹ in Lacs | Number | ₹ in Lacs |
| Shares outstanding at the beginning of the year | 5713357 | 571.34 | 5713357 | 571.34 |
| Shares Issued during the year | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 5713357 | 571.34 | 5713357 | 571.34 |

iv) Terms/ rights attached to the equity shares

The company has only one class of equity shares having a par value of Rs. 10 per shares. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends (if any) in Indian rupees. The dividends (if any) proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders are entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

v) Details of shareholders holding more than 5% shares in the company.

| Equity shares of ₹ 10 each fully paid | 2013 | | 2012 | |
|--|---------------------------|---------------------|---------------------------|---------------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Name of Shareholders | | | | |
| Krishna Kejriwal | 1579494 | 27.65% | 1276374 | 22.34% |
| Rahul Kejriwal | 306851 | 5.37% | 1216213 | 21.29% |
| Chand Kejriwal | 1463141 | 25.61% | 1160020 | 20.30% |
| Shivani Kejriwal | 303197 | 5.31% | 76 | 0.00% |
| Krish Automotive Sales & Services Pvt Ltd | 451549 | 7.90% | 451549 | 7.90% |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

| Note 2 | | 2013 | 2012 |
|--------------------------------|--|------------------|------------------|
| RESERVES & SURPLUS | | ₹ in Lacs | ₹ in Lacs |
| a. | Capital Reserves | 16.25 | 16.25 |
| b. | Surplus in the profit & loss statement | | |
| | Opening balance | 916.08 | 590.37 |
| | Add : Profit for the current year | 38.61 | 325.71 |
| | Closing Balance | 954.69 | 916.08 |
| | Total | 970.94 | 932.33 |
| Note 3 | | 2013 | 2012 |
| NON CURRENT LIABILITIES | | ₹ in Lacs | ₹ in Lacs |
| LONG TERM BORROWINGS | | | |
| a) | Secured | | |
| | Term loans | | |
| | Foreign currency loan from banks | - | 111.30 |
| | Vehicles loan from banks# | 0.29 | 3.14 |
| | Vehicles loan from financial institutions# | - | 1.23 |
| | | 0.29 | 115.67 |
| b) | Unsecured | | |
| | Loans and advances from Directors/ related parties | 838.91 | 838.91 |
| | | 838.91 | 838.91 |
| | Total | 839.20 | 954.58 |

Note :

- a) During the year foreign currency term loan roll over with validity till 7th August, 2013. Loan may be continued in foreign currency at the option of lender after the above date. The loan is repayable in balance 12 monthly installments of USD 22000. Currently it carries interest rate of LIBOR plus 5.75%. The loan is secured by Hypothecation of entire assets acquire from said term loan and equitable Mortgage on Land and Building and plant & machinery/ movables assets of the Company. Further the loan has been guaranteed by Managing Directors and a whole time director of the company.
- b) # Vehicles loans is secured By Hypothecation of respective vehicles.
- Vehicles Loan from HDFC Bank Ltd. carries interest rate @ 9.50% p.a (on a monthly reducing basis). The entire loan is repayable in 36 monthly installments of Rs. 11441/- each with the last installment due on 5th June, 2013. Outstanding principal amount as at 31st March, 2013 is Rs.33,787/-.
- Vehicles Loan from HDFC Bank Ltd. carries interest rate @ 11.50% p.a (on a monthly reducing basis). The entire loan is repayable in 36 monthly installments of Rs. 9800/- each with the last installment due on 5th June, 2014. Outstanding principal amount as at 31st March, 2013 is Rs.1,36,310/-
- Vehicles Loan from Kotak Mahindra Bank Ltd. carries interest rate @ 12.10% p.a (on a monthly reducing basis). The entire loan is repayable in 35 monthly installments of Rs. 18815/- each with the last installment due on 1st November, 2013. Outstanding principal amount as at 31st March, 2013 is Rs.1,44,305/-.
- Vehicles Loan from Kotak Mahindra Prime Ltd. carries interest rate @ 11.15% p.a (on a monthly reducing basis). The entire loan is repayable in 35 monthly installments of Rs.18755/- each with the last installment due on 10th May, 2013. Outstanding principal amount as at 31st March, 2013 is Rs.36,990/-.
- Vehicles Loan from Kotak Mahindra Prime Ltd. carries interest rate @ 14.75% p.a (on a monthly reducing basis). The entire loan is repayable in 36 monthly installments of Rs. 44000/- each with the last installment due on 10th May, 2013. Outstanding principal amount as at 31st March, 2013 is Rs.86373/-.
- c) Unsecured Loan from Directors/ related parties carry interest @ 10% p.a and are repayable after 12 months.

 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 4
OTHER LONG TERM LIABILITIES

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|-------------------------|-------------------|-------------------|
| Deposits from Customers | 20.68 | 17.64 |
| Total | 20.68 | 17.64 |

Note 5
LONG TERM PROVISIONS

| | As at 31 March 2013 ₹ in Lacs | As at 31 March 2012 ₹ in Lacs |
|--|----------------------------------|----------------------------------|
| Provision for employee benefits | | |
| Leave Encashment (unfunded) (Refer Note 42 (b)) | 12.23 | 10.82 |
| Total | 12.23 | 10.82 |

CURRENT LIABILITIES
Note 6
SHORT TERM BORROWINGS

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|---|-------------------|-------------------|
| Secured | | |
| Loans repayable on demand | | |
| Indian rupees Cash Credit from banks | 424.93 | 1,498.94 |
| Foreign currency Cash Credit from banks | 1,113.75 | 137.41 |
| Total | 1,538.68 | 1,636.35 |

- a) Indian rupees Cash Credit loan from banks carries interest @ 10.20% p.a. The loan is repayable on demand. The loan is secured by Hypothecation of Land and Building, Plant & machinery and second charge on all trade receivable & all Inventories wherever situated. Further the loan has been guaranteed by Managing Director and a whole time director of the company.
- b) Foreign currency Cash Credit loan from banks carries interest @ LIBOR plus 2.00% to 4.75% p.a. The loan is repayable on demand. The loan is secured by Hypothecation of Land and Building, Plant & machinery and second charge on all trade receivable & all Inventories wherever situated. Further the loan has been guaranteed by Managing Director and a whole time director of the company.

Note 7

OTHER CURRENT LIABILITIES

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|---|-------------------|-------------------|
| (a) Current maturities of long-term debt (Refer note 3 a & b) | 144.06 | 185.87 |
| (b) Other payables against advance from customers | 11.67 | 16.58 |
| (c) Other payables against Statutory Liabilities | 95.27 | 89.18 |
| (d) Foreign Currency Forward Contract A/c (Net) | 27.11 | -- |
| Total | 278.11 | 291.63 |

Note 8

SHORT TERM PROVISIONS

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|---|-------------------|-------------------|
| (a) Provision for employee benefits | | |
| Gratuity (Funded) (Refer Note 42 a) | 19.98 | 6.60 |
| Leave Encashment (unfunded) (Refer Note 42 b) | 9.70 | 7.19 |
| (b) Other provisions | | |
| Taxation (Net) | 14.67 | 0.80 |
| Total | 44.35 | 14.59 |



REMSONS INDUSTRIES LTD.

₹ in Lacs

| Description | Gross Block at Cost | | | | Depreciation / Amortisations | | | Net Block | |
|---|--------------------------|---------------|--------------|-----------------|------------------------------|---------------|--------------|------------------|------------------|
| | Balance as at 01.04.2012 | Additions | Disposals | Total | Balance as at 01.04.2012 | for the year | On disposals | As at 31.03.2013 | As at 31.03.2012 |
| | | | | | | | | | |
| 9.1 <u>Tangible Assets</u> | | | | | | | | | |
| Land | 69.83 | -- | -- | 69.83 | -- | -- | -- | 69.83 | 69.83 |
| Buildings | 865.26 | -- | -- | 865.26 | 266.74 | 27.13 | -- | 571.39 | 598.52 |
| Leaseholds improvements | 42.94 | 5.22 | -- | 48.16 | 23.18 | 13.16 | -- | 11.82 | 19.76 |
| Plant and Equipment | 2,707.15 | 117.11 | 42.03 | 2,782.23 | 1,395.96 | 152.70 | 33.10 | 1,266.67 | 1,311.19 |
| Furniture and Fixtures | 165.61 | 1.57 | -- | 167.18 | 127.68 | 7.08 | -- | 32.42 | 37.93 |
| Vehicles | 90.74 | -- | 2.34 | 88.40 | 43.38 | 12.19 | 2.05 | 34.88 | 47.37 |
| Office equipment | 225.78 | 10.00 | 0.80 | 234.98 | 186.51 | 11.46 | 0.73 | 37.74 | 39.27 |
| Total (A) | 4,167.31 | 133.90 | 45.17 | 4,256.04 | 2,043.45 | 223.72 | 35.88 | 2,024.75 | 2,123.86 |
| 9.2 <u>Intangible Assets</u> | | | | | | | | | |
| Computer software | 14.35 | 20.34 | -- | 34.69 | 13.56 | 4.17 | -- | 16.96 | 0.79 |
| Total (B) | 14.35 | 20.34 | -- | 34.69 | 13.56 | 4.17 | -- | 16.96 | 0.79 |
| TOTAL(A+B) | 4,181.66 | 154.24 | 45.17 | 4,290.73 | 2,057.01 | 227.89 | 35.88 | 2,041.71 | 2,124.65 |
| Previous Year | 3,472.76 | 719.75 | 10.84 | 4,181.67 | 1,835.49 | 222.31 | 0.79 | 2,124.65 | |
| 9.3 <u>Capital Work In Progress</u> | -- | -- | -- | -- | -- | -- | -- | 6.66 | -- |

a) Capitalised borrowing costs :-

The borrowing cost capitalised during the year ended 31st March, 2013 is NIL (Previous year ₹ 22.24 Lacs).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 10**NON CURRENT INVESTMENTS (At Cost)****LONG TERM (Quoted/ Non-Trade) :**

| Fully Paid up Equity Shares of Listed Companies | Face Value (Rs. Ps.) | No of Shares 31.3.2013 | As on 31.3.2013 Rs. In Lacs | No of Shares 31.3.2012 | As on 31.3.2012 Rs. In Lacs |
|--|-----------------------------------|-----------------------------------|--|-----------------------------------|--|
| Value Industries Ltd | 10.00 | 100 | 0.05 | 100 | 0.05 |
| Videocon Industries Ltd | 10.00 | 3 | 0.05 | 3 | 0.05 |
| Reliance Industries Limited | 10.00 | 96 | 0.20 | 96 | 0.20 |
| | | | 0.30 | | 0.30 |
| Less : Diminution in value of investment. | | | 0.09 | | 0.09 |
| Total | | | 0.21 | | 0.21 |

(Unquoted/Trade) :

| Fully Paid up Equity Shares of Investments in Body Corporates under same Management. | Face Value (Rs. Ps.) | No of Shares 31.3.2013 | As on 31.3.2013 Rs. In Lacs | No of Shares 31.3.2012 | As on 31.3.2012 Rs. In Lacs |
|---|-----------------------------------|-----------------------------------|--|-----------------------------------|--|
| Remsons Cables Industries Pvt Ltd | 100.00 | 500 | 0.50 | 500 | 0.50 |
| Goodluck Electronics Pvt Ltd (Formally known as Western Remsons Industries Pvt Ltd) | 100.00 | 1,250 | 1.25 | 1,250 | 1.25 |
| | | | 1.75 | | 1.75 |
| NSC (Pledge with Central Sales Tax Authority) | | | 0.30 | | 0.30 |
| Total | | | 2.26 | | 2.26 |

Note :

1. Market Value of quoted shares on aggregate basis Rs. 0.76 Lacs (Previous Year Rs. 0.74 Lacs).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 11

LONG TERM LOANS AND ADVANCES

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|--|-------------------|-------------------|
| a. Capital Advances | | |
| Unsecured, considered good | 12.87 | 28.70 |
| | 12.87 | 28.70 |
| b. Security Deposits | | |
| Unsecured, considered good | 14.12 | 16.60 |
| | 14.12 | 16.60 |
| c. Other unsecured, consider good | | |
| MAT Credit Entitlement | 103.73 | 96.99 |
| | 103.73 | 96.99 |
| TOTAL | 130.72 | 142.29 |

Notes 12

OTHER NON-CURRENT ASSETS

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|---|-------------------|-------------------|
| Non-Current Bank Deposits | | |
| Unsecured, considered good (Original maturity of more than 12 months.) | 1.45 | 0.89 |
| | 1.45 | 0.89 |

CURRENT ASSETS

Note 13

INVENTORIES

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|---|-------------------|-------------------|
| a. Raw Materials and components : | | |
| Goods-in transit Rs. 21.73 Lacs (Previous year Rs. 5.53 Lacs). | 582.61 | 598.12 |
| b. Work-in-progress | 216.03 | 288.58 |
| c. Finished goods | 440.01 | 653.20 |
| e. Stores and spares | 18.57 | 32.90 |
| f. Packing Materials | 22.22 | 15.91 |
| g. Scrap | 0.09 | 0.16 |
| (Refer Note 25 (vii)) | | |
| Total | 1,279.53 | 1,588.87 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 14**TRADE RECEIVABLES**

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|--|-------------------|-------------------|
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment. | | |
| Unsecured, considered good | 20.67 | 14.55 |
| Unsecured, considered doubtful | 34.06 | 34.06 |
| | 54.73 | 48.61 |
| Less: Provision for doubtful debts | (34.06) | (34.06) |
| | 20.67 | 14.55 |
| Trade receivables outstanding for a period less than six months from the date they are due for payment | | |
| Unsecured, considered good | 1,732.77 | 1,850.20 |
| | 1,732.77 | 1,850.20 |
| Total | 1,753.44 | 1,864.75 |

Note : 15**CASH & BANK BALANCE**

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|--|-------------------|-------------------|
| Cash & Cash Equivalents | | |
| Balances with banks | | |
| Current accounts | 11.48 | 26.16 |
| Cheques, drafts on hand | 0.10 | 45.38 |
| Cash on hand | 3.27 | 2.41 |
| Other Bank Balances | | |
| Deposit Accounts (In Margin Accounts) (original maturity of more than 3 months) | 0.26 | 1.08 |
| TOTAL | 15.11 | 75.03 |

 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 16
SHORT - TERM LOANS AND ADVANCES

| | 2013 | 2012 |
|--|------------------|------------------|
| | ₹ in Lacs | ₹ in Lacs |
| | <hr/> | <hr/> |
| Advance recoverable-others | | |
| Unsecured, considered good | 27.70 | 35.41 |
| Loan & Advances- others | | |
| Loan to employees | 16.22 | 23.42 |
| Balance with statutory/ government authorities | 54.80 | 34.81 |
| MAT Credit Entitlement | 50.00 | 74.62 |
| | <hr/> | <hr/> |
| TOTAL | 148.72 | 168.26 |
| | <hr/> <hr/> | <hr/> <hr/> |

Note 17
OTHER CURRENT ASSETS

| | 2013 | 2012 |
|-----------------------------------|------------------|------------------|
| | ₹ in Lacs | ₹ in Lacs |
| | <hr/> | <hr/> |
| Loan & Advances-others | | |
| Foreign Currency deferred Premium | 25.33 | -- |
| Interest accrued on Deposits | 0.36 | 0.54 |
| | <hr/> | <hr/> |
| TOTAL | 25.69 | 0.54 |
| | <hr/> <hr/> | <hr/> <hr/> |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 18**REVENUE FROM OPERATIONS**

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|--|-------------------|-------------------|
| Sale of products | | |
| Finished Goods | 11,921.73 | 12,579.61 |
| Traded Goods | 36.50 | 41.04 |
| Sale of services | 3.80 | -- |
| Other operating revenues | | |
| Scrap Sales | 12.92 | 15.07 |
| Others | 59.04 | 10.91 |
| Revenue from operations (Gross) | 12,033.99 | 12,646.63 |
| Less : Excise duty (Refer Note 45 b) | 1,198.84 | 1,127.90 |
| Revenue from operations (Net) | 10,835.15 | 11,518.73 |

Details of products sold**Finished goods sold**

| | | |
|---------------------|-----------|-----------|
| Auto Control Cables | 11,921.73 | 12,579.61 |
|---------------------|-----------|-----------|

Traded goods sold

| | | |
|---------------------|-------|-------|
| Auto Control Cables | 36.50 | 41.04 |
|---------------------|-------|-------|

Details of services rendered

| | | |
|----------|------|----|
| Job work | 3.80 | -- |
|----------|------|----|

Note 19**OTHER INCOME**

| | 2013 ₹ in Lacs | 2012 ₹ in Lacs |
|--------------------------------|-------------------|-------------------|
| Interest Income on | | |
| Bank Deposits | 0.14 | 0.46 |
| Others | 2.53 | 1.91 |
| Dividend Income on | | |
| Long - term investments | 0.01 | 2.51 |
| Profit on sale of Fixed Assets | 0.56 | -- |
| Other non-operating income | 11.63 | 4.92 |
| Exchange differences (net) | 16.96 | 37.78 |
| Total | 31.83 | 47.58 |



REMSONS INDUSTRIES LTD.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 20

COST OF RAW MATERIAL CONSUMED

| | 2013 | 2012 |
|--|------------------|------------------|
| | ₹ in Lacs | ₹ in Lacs |
| Inventory at the beginning of the year | 592.59 | 626.52 |
| Add : Purchases | 6,176.29 | 6,971.11 |
| | 6,768.88 | 7,597.63 |
| Less : inventory at the end of the year | 560.88 | 592.59 |
| Cost of raw material consumed | 6,208.00 | 7,005.04 |
| a) Details of raw material consumed | | |
| Wire | 1,612.56 | 1,850.53 |
| Auto Cords | 439.21 | 565.58 |
| PVC | 605.20 | 701.14 |
| Components | 3,449.71 | 3,768.29 |
| Non-Ferrous | 101.32 | 119.50 |
| Total | 6,208.00 | 7,005.04 |
| b) Details of inventory | | |
| Wire | 71.44 | 79.64 |
| Auto Cords | 115.42 | 109.69 |
| PVC | 36.43 | 89.30 |
| Components | 302.32 | 272.92 |
| Non-Ferrous | 2.15 | 2.87 |
| Others | 33.12 | 38.17 |
| Total | 560.88 | 592.59 |
| Note 21 | | |
| <u>(INCREASE)/DECREASE IN INVENTORIES</u> | | |
| a) Opening Stocks : | | |
| Semi Finished Goods | 288.58 | 222.34 |
| Finished Goods | 653.20 | 365.89 |
| Scrap | 0.16 | -- |
| Total (a) | 941.94 | 588.23 |
| b) Closing Stocks : | | |
| Semi Finished Goods | 216.03 | 288.58 |
| Finished Goods | 440.01 | 653.20 |
| Scrap | 0.08 | 0.16 |
| Total (b) | 656.12 | 941.94 |
| Total (a-b) | 285.82 | (353.71) |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

Note 22**EMPLOYEE BENEFITS EXPENSES**

| | 2013 | 2012 |
|---|------------------|------------------|
| | ₹ in Lacs | ₹ in Lacs |
| Salaries and Wages | 1,351.42 | 1,314.04 |
| Contribution to Provident & Other Funds | 41.86 | 37.68 |
| Gratuity Expenses (Refer Note 42 a) | 20.09 | 6.60 |
| Remuneration to Directors (Refer Note 35) | 39.32 | 26.11 |
| Staff Welfare Expenses | 35.56 | 36.08 |
| Total | 1,488.25 | 1,420.51 |

Note 23**FINANCE COST**

| | | |
|--|---------------|---------------|
| Interest expenses | 221.51 | 201.35 |
| Bank Charges | 14.13 | 18.90 |
| Exchange difference to the extent considered as an adjustment to borrowing costs. | 40.59 | 65.46 |
| Other Borrowing Charges | 4.44 | 1.92 |
| Interest on Income Tax | 1.20 | 2.80 |
| Total | 281.87 | 290.43 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH
Note 24
OTHER EXPENSES

| | 2013 | | 2012 | |
|---|------------------|-----------------|------------------|-----------------|
| | ₹ in Lacs | | ₹ in Lacs | |
| <u>Manufacturing expenses</u> | | | | |
| Consumption of Stores & Spares | 183.65 | | 175.74 | |
| Consumption of Packing Material | 212.23 | | 246.55 | |
| Conversion Charges Paid | 129.30 | | 222.68 | |
| (increase)/decrease of excise duty on inventory (Refer Note 45(a)) | 4.24 | | 21.88 | |
| Power & Fuel | 209.41 | | 201.62 | |
| Carriage Inward | 32.60 | | 42.65 | |
| Repair & Maintenance | -- | | | |
| Plant & Machinery | 53.42 | | 52.36 | |
| Building | 17.09 | | 17.35 | |
| Factory Rent | 30.00 | | 30.00 | |
| Research and development Expenses | 21.38 | 893.32 | 20.89 | 1,031.72 |
| <u>Selling and distribution expenses</u> | | | | |
| Carriage Outward | 321.88 | | 317.89 | |
| Advertisement and Sales & Promotion Expenses | 2.56 | | 22.14 | |
| Discounts & Rebates | 178.31 | | 209.11 | |
| Warranty Charges | 44.97 | | 21.17 | |
| Sales Commission | 72.19 | | 73.50 | |
| Bad Debts W/off | -- | | 25.15 | |
| Less : Provision for Doubtful Debtors as Provided earlier | -- | | (25.15) | |
| Provision for Doubtful Debtors | -- | | 0.78 | |
| Sales Tax/ VAT Paid | 446.53 | 1,066.44 | 461.87 | 1,106.46 |
| <u>Establishment expenses</u> | | | | |
| Rent | 19.09 | | 21.64 | |
| Rates & Taxes | 5.47 | | 6.94 | |
| Security Services Charges | 36.18 | | 32.67 | |
| Insurance | 11.58 | | 12.68 | |
| Traveling & Conveyance Expenses | 48.64 | | 59.84 | |
| Vehicle Repair & Maintenance Expenses | 27.64 | | 27.44 | |
| Repair & Maintenance others | 17.79 | | 22.49 | |
| Communication Expenses | 28.69 | | 31.41 | |
| Printing & Stationery | 16.12 | | 18.45 | |
| Legal & Professional Charges | 72.69 | | 59.58 | |
| Directors Sitting Fees Paid | 0.75 | | 0.85 | |
| Payments to Auditors (Refer Note 36) | 5.47 | | 4.02 | |
| Loss on sale of Fixed Assets | 0.32 | | 0.29 | |
| Donations Paid (Refer Note 47) | 15.32 | | 32.54 | |
| Miscellaneous Expenditure | 12.45 | 318.20 | 11.81 | 342.65 |
| Total | | 2,277.96 | | 2,480.83 |

NOTE “25”

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013.

SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES.

i) BASIS OF ACCOUNTING :

The financial statements have been prepared under the historical cost convention, except where impairment is made and on accrual basis in accordance with accounting principles generally accepted in India and the provisions of the Companies Act, 1956. Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

ii) USE OF ESTIMATES :

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Differences between actual results and estimates are recognized in the period in which the results get materialized.

iii) TANGIBLE ASSETS AND DEPRECIATION :

- a. Fixed Assets: All fixed assets are valued at cost less cenvat & accumulated depreciation and impairments if any, (other than freehold land where no depreciation is charged) except that certain assets revalued are adjusted for revaluation.
- b. Capital-work-in-progress is carried at cost less cenvat, comprising direct cost, related incidental expenses and attributable interest.
- c. Depreciation: Depreciation has been charged on straight line method on Buildings, Plants and Machineries, Electric Installations and Dies& Mould, all other assets on written down value method at the rate and manner prescribed in Schedule XIV of the Companies Act, 1956.
- d. Depreciation on the increased cost of fixed assets due to revaluation is charged to profit & loss account.
- e. Depreciation on Leasehold Improvements is charged over the period of lease.
- f. All assets costing up to Rs. 5000/- are fully depreciated in the year of purchase.

iv) INTANGIBLES / AMORTIZATIONS :

Intangible assets are recognized if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and cost of the asset can be measured reliably in accordance with AS - 26 on Intangible assets.

Intangible assets are amortized on straight line basis over the useful lives determined on the basis of expected future economic benefits. The amortization period and method would be reviewed at the end of each financial year. Software's are amortized over a period of 36 Months.

iv) IMPAIRMENT OF ASSETS :

At the end of each reporting period, the Company determines whether a provision should be made for impairment loss on assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on “Impairment of Assets”. An impairment loss is charged to the Profit and Loss account in the period in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in the earlier accounting periods is reversed, if there has been a change in the estimate of recoverable amount.

vi) INVESTMENTS :

Long term investments are stated at cost less other than temporary diminution in value if any. Current investments are stated at lower of cost and quoted/ fair value.

vii) **INVENTORIES :**

Raw materials, Packing materials, Stores and Spare parts are valued at Lower of cost (cost includes direct cost & attributable overheads) and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. (FIFO Method) Semi finished goods are valued at lower of estimated cost and net realizable value & Finished goods are valued at lower of, cost or net realizable value (FIFO) also includes excise duty. Scrap is valued at net realizable value.

viii) **ACCOUNTING OF CLAIMS :**

- a. Claims receivable are accounted for at the time when reasonable certainty of receipt is established. Claims payable are accounted for at the time of acceptance.
- b. Claims raised by Government Authorities regarding taxes and duties, are accounted based on the merits of each claim. If same is disputed by the Company, these are shown as 'Contingent Liabilities'.

ix) **PROVISIONS/ CONTINGENCIES :**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

x) **REVENUE RECOGNITION :**

Sale of goods is recognized when the risk and rewards of ownership are passed on to the customers, which is generally on dispatch of goods. Export sales are accounted on the basis of date of Bill of Lading/Airway Bill. Conversion Charges Income is recognized as per the terms of contract with customers when the related services are rendered. DEPB/Duty draw back income recognized as and when export gets completed.

xi) **DIVIDEND & INTEREST :**

Dividend income on investments is accounted for when the right to receive the payment is established. Interest income is recognized on accrual basis.

xii) **FOREIGN EXCHANGE TRANSACTIONS :**

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognized in the profit and loss account. In case of forward contracts (non speculative), the premium / discount are dealt with in the profit and loss account over the period of contracts.

xiii) **OPERATING LEASE :**

The leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognised as expenses in the Profit and Loss Account.

xiv) **RESEARCH AND DEVELOPMENT EXPENDITURE :**

Revenue expenditure on Research and Development is charged against the profit of the year, in which it is incurred.

xv) **EXCISE AND IMPORT DUTY :**

- a. Excise duty in respect of goods manufactured by the Company is accounted on completion of manufacturing of goods.
- b. Import duty payable is accounted as and when the goods enter the territory waters of the country.

xvi) **EMPLOYEE BENEFITS :**

- a. Short Term Employee Benefits - All employee benefits payable within twelve months of rendering the service are recognized in the period in which the employee renders the related service.
- b. Post Employment/Retirement Benefits - Defined Contribution Plans such as Provident Fund etc. are charged to the Profit and Loss Account as incurred. Defined Benefit Obligation Plans - The present value of the obligation under such plans is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit and Loss Account. In case of gratuity, which is funded with the Life Insurance Corporation of India, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.
- c. Other Long Term Employee Benefits are recognized in the same manner as Defined Benefit Plans.

xvii) **TAXATION :**

Provision for Income Tax, comprising of current tax and deferred tax, is made on the basis of the results of the year. In accordance with Accounting Standard 22- Accounting for Taxes on Income, Deferred tax resulting from timing difference between the book profits and the tax profits for the year is accounted for using the tax rate and laws that have been enacted or substantively enacted as of the balance sheet date. The Deferred tax assets are recognized & carried forward only to the extent that there is a reasonable certainty of its realization.

xviii) **BORROWING COST :**

Borrowing cost which is directly related to the acquisition, construction or production of qualifying assets are capitalized in accordance with AS-16 Borrowing Cost . All other borrowing cost charged to profit & loss statement.

xix) **EXPENDITURE DURING CONSTRUCTION PERIOD :**

In case of new projects and substantial expansion of existing factories, expenditure incurred including trial production expenses net of revenue earned, prior to commencement of commercial production are capitalized.

xx) **SEGMENT REPORTING POLICIES :**

Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Company operate.

xxi) **PROVISION FOR BAD & DOUBTFUL DEBTS :**

Provision is made in accounts for bad & doubtful debts which in the opinion of the Management are considered doubtful.

xxii) **CASH AND CASH EQUIVALENTS :**

Cash and cash equivalents comprise cash at bank, in hand (including cheque in hand) and short term investment with an original maturity of three months or less.

xxiii) **EARNING PER SHARE**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH

SIGNIFICANT ACCOUNTING NOTES :

Note 26 CONTINGENT LIABILITIES NOT PROVIDED FOR :

- a. Towards guarantees given by Bankers on behalf of the Company of Rs. 14.50 Lacs. (Previous Year Rs. 8.90 Lacs)
- b. Estimated amounts of contracts remaining to be executed on capital account (net of advances) not provided for Rs. 9.66 Lacs (Previous Year Rs. 36.12 Lacs).
- c. In respect of Service Tax for Rs 0.52 Lacs (Previous year Rs 0.52 Lacs). This is under appeal.
- d. In respect of Local Area development tax for Rs. NIL (Previous year Rs. 1.21 Lacs).

Note 27 DEFERRED TAX :

- i) During the year ended 31st March,2013, The Company has recognised Deferred Tax Liabilities/ (assets)of Rs. (3.06) Lacs (Previous Year Rs. 67.59 Lacs).
- ii) The break up of deferred tax assets and liabilities as at March 31, 2013 comprises of the following :

| | | As at 31.03.2013 | 2012-13 | As at 31.03.2012 |
|---|-----|-------------------------|----------------|-------------------------|
| | | ₹ in Lacs | ₹ in Lacs | ₹ in Lacs |
| Deferred tax liability : | | | | |
| Related to Fixed Assets | | 234.81 | 0.27 | 234.54 |
| | A | 234.81 | 0.27 | 234.54 |
| Deferred tax assets : | | | | |
| Provision for Doubtful debts | | 11.05 | -- | 11.05 |
| Others | | 13.61 | 3.33 | 10.28 |
| | B | 24.66 | 3.33 | 21.33 |
| Net Deferred tax Liability (Assets). | B-A | 210.15 | (3.06) | 213.21 |

Note 28 Segment :

a) Primary Segment :

The company is in the business of manufacturing Automotive Components parts & all its products fall in the same segment as nature of the products, production process, methods used for distribution, the regulatory environment and the resulting risks & rewards associated business lines are not materially different hence, it operates in only one primary segment (Business). Secondary segmental reporting is based on the geographical location of customers. The following is the distribution of the company's sale by geographical markets and segment assets which can be attributed to customers in such markets.

b) Secondary : Geographic Segment :
Segment Revenue

| | <u>2012-13</u> | <u>2011-12</u> |
|---------------|------------------|------------------|
| | <u>₹ in Lacs</u> | <u>₹ in Lacs</u> |
| India | 10,717.08 | 11,503.53 |
| Rest of world | 1,316.91 | 1,143.10 |
| | <u>12,033.99</u> | <u>12,646.63</u> |

Segment Assets

| | <u>2012-13</u> | <u>2011-12</u> |
|---------------|------------------|------------------|
| | <u>₹ in Lacs</u> | <u>₹ in Lacs</u> |
| India | 4,938.90 | 5,643.92 |
| Rest of world | 466.39 | 323.62 |
| | <u>5,405.29</u> | <u>5,967.54</u> |

Note 29 Earning Per Share :

| | <u>2012-13</u> | <u>2011-12</u> |
|--|------------------|------------------|
| | <u>₹ in Lacs</u> | <u>₹ in Lacs</u> |
| a) Profit Attributable to equity shareholders | 38.61 | 325.71 |
| b) Number of equity shares (Face value Rs.10/-each.) | 5,713,357 | 5,713,357 |
| c) Basic and diluted Earning Per Share, including extra ordinary items | 0.68 | 5.70 |
| d) Basic and diluted Earning Per Share, excluding extra ordinary items | 0.68 | 5.70 |

Note 30 Sundry debtors, sundry creditors and loans and advances are subject to confirmation and reconciliation if any.

Note 31 In the opinion of the management the current assets, loans and advances are of the value stated in the Balance Sheet if realised in the ordinary course of the business.

Note 32 In terms of Section 22 of Micro, Small and Medium Enterprises Development Act,2006,the outstanding of these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act. In the absence of the information about registration of the Enterprises under the above Act, the required information could not be furnished. In view of above and in absence of relevant informations,the Auditor have relied upon the same.

Note 33 Capital Work In Progress Includes :

| | <u>2012-13</u> | <u>2011-12</u> |
|---------------------------------------|------------------|------------------|
| | <u>₹ in Lacs</u> | <u>₹ in Lacs</u> |
| a) Opening Balance | -- | 330.27 |
| b) Sundry Purchased | 6.66 | 187.06 |
| c) Bank Interest Capitalised | -- | 21.46 |
| d) Finance Charges Capitalised | -- | 0.78 |
| e) Less : Capitalised during the year | -- | 539.57 |
| f) Closing Balance | <u>6.66</u> | <u>--</u> |

Note 34 OPERATING LEASE :

- a) Operating lease payment recognised in Profit & Loss Account amounting to Rs 49.09 Lacs (Previous Year Rs 51.64 Lacs).
- b) General description of the leasing arrangement:
 - i) Leased Assets: Factory Building, Adm offices & flat.
 - ii) Future lease rentals are determined on the basis of agreed terms.
 - iii) At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.

| Note 35 Payment to the Managing Director and Whole time Director. | 2012-13 | 2011-12 | | |
|--|------------------|------------------|------------------|----------------|
| | ₹ in Lacs | ₹ in Lacs | | |
| Salaries & Allowances | 33.50 | 21.60 | | |
| Perquisites | 2.77 | 1.91 | | |
| Contribution to Provident Funds | 2.38 | 1.87 | | |
| Medical Reimbursement | 0.67 | 0.73 | | |
| Total | 39.32 | 26.11 | | |
| Note 36 Payment To Auditors. | 2012-13 | 2011-12 | | |
| As Auditor : | ₹ in Lacs | ₹ in Lacs | | |
| Audit Fees | 1.50 | 1.50 | | |
| Tax Audit Fees | 0.50 | 0.50 | | |
| Limited review Fees | 0.23 | 0.30 | | |
| In other Capacity | | | | |
| Other services (certification fees) | 0.68 | 0.63 | | |
| Reimbursement of expenses | 0.15 | 0.28 | | |
| Branch Auditors fees | 1.06 | 0.81 | | |
| Cost Auditors fees | 1.35 | -- | | |
| Total | 5.47 | 4.02 | | |
| Note 37 Depreciation / Amortisation : | 2012-13 | 2011-12 | | |
| | ₹ in Lacs | ₹ in Lacs | | |
| Depreciation on fixed assets for the year | 222.41 | 216.83 | | |
| Depreciation on revalued assets for the year | 5.48 | 5.48 | | |
| Total | 227.89 | 222.31 | | |
| During the year Rs. 5.48 Lacs (Previous year Rs. 5.48 Lacs) depreciation of revalued assets charged to profit & loss account. | | | | |
| Note 38 C I F Value Of Imports: | 2012-13 | 2011-12 | | |
| | ₹ in Lacs | ₹ in Lacs | | |
| i) Raw Materials | 480.42 | 579.62 | | |
| ii) Plant & Machineries | 13.73 | 9.71 | | |
| Total | 494.15 | 589.33 | | |
| Note 39 Total value of raw materials consumed: | | | | |
| a) Raw Materials | 2012-13 | 2011-12 | | |
| | ₹ in Lacs | % | ₹ in Lacs | % |
| Imported | 553.91 | 8.92% | 568.28 | 8.11% |
| Indigenous | 5,654.10 | 91.08% | 6,436.76 | 91.89% |
| Total | 6,208.00 | 100.00% | 7,005.04 | 100.00% |
| b) Stores | 2012-13 | 2011-12 | | |
| | ₹ in Lacs | % | ₹ in Lacs | % |
| Imported | -- | 0.00% | -- | 0.00% |
| Indigenous | 183.65 | 100.00% | 175.74 | 100.00% |
| Total | 183.65 | 100.00% | 175.74 | 100.00% |

| Note 40 Expenditure in foreign currency : | 2012-13 ₹ in Lacs | 2011-12 ₹ in Lacs |
|---|----------------------|----------------------|
| Reimbursement of Exp. | 12.86 | 12.73 |
| Consultancy charges | 17.44 | 16.75 |
| Fees & Subscription | 0.34 | 0.31 |
| Finance Charges | 46.18 | 52.46 |
| Commission | 51.01 | 57.55 |
| Total | 127.83 | 139.80 |

| Note 41 Earning In Foreign Currency : | 2012-13 ₹ in Lacs | 2011-12 ₹ in Lacs |
|---------------------------------------|----------------------|----------------------|
| FOB Value of Export | 1,203.17 | 1,080.45 |
| Total | 1,203.17 | 1,080.45 |

Note 42 Employee Benefits :

- a) Defined benefit plans as per actuarial valuation on 31st March,2013.

| | 2012-13 ₹ in Lacs | 2011-12 ₹ in Lacs |
|--|----------------------|----------------------|
| I Expenses recognised in the Statement of Profit & Loss for the year ended 31st March,2013. | | |
| i) Current Service Cost | 5.89 | 5.84 |
| ii) Interest Cost | 5.68 | 5.73 |
| iii) Employee Contributions | -- | -- |
| iv) Expected return on plan assets | (5.97) | (5.31) |
| v) Net Actuarial (Gain) / Losses | 14.49 | 0.34 |
| vi) Past Service Cost | -- | -- |
| vii) Settlement Cost | -- | -- |
| viii) Total Expenses | 20.09 | 6.60 |

II Net Assets/ (Liabilities) recognised in the Balance Sheet as at 31st March,2013.

| | | |
|--|----------------|---------------|
| i) Present value of Defined Benefit Obligations as at end of year. | 95.73 | 71.00 |
| ii) Fair value of plan assets as at 31st March,2013. | 75.75 | 64.40 |
| iii) Funded status [Surplus/(Deficit)] | (19.98) | (6.60) |
| iv) Net assets/ (liabilities)as at 31st March,2013. | (19.98) | (6.60) |



REMSONS INDUSTRIES LTD.

III Change in obligation during the year ended 31st March,2013.

| | | | |
|-------|--|--------------|--------------|
| i) | Present value of Defined Benefit Obligation at beginning of the year. | 71.00 | 71.66 |
| ii) | Current Service Cost | 5.89 | 5.84 |
| iii) | Interest Cost | 5.68 | 5.73 |
| iv) | Settlement Cost | -- | -- |
| v) | Past Service Cost | -- | -- |
| vi) | Employee Contributions | | |
| vii) | Actuarial (Gain) / Losses | 14.49 | 0.34 |
| viii) | Benefits Payments | (1.33) | (12.57) |
| ix) | Present value of Defined Benefit Obligation at the end of the year. | 95.73 | 71.00 |

IV Change in Assets during the year ended 31st March,2013.

| | | | |
|-------|--|--------|---------|
| i) | Plan assets at the beginning of the year. | 64.40 | 56.68 |
| ii) | Assets acquired on amalgamation in previous year | -- | -- |
| iii) | Settlements | -- | -- |
| iv) | Expected return on plan assets | 5.97 | 5.31 |
| v) | Contributions by Employer | 6.72 | 14.98 |
| vi) | Actual benefits Paid | (1.33) | (12.57) |
| vii) | Actuarial (Gain) / Losses | -- | -- |
| viii) | Plan assets at the end of the year. | 75.75 | 64.40 |
| ix) | Actual return on plan assets | 5.97 | 5.31 |

V The major categories of plan assets as a percentage of total plan. Qualifying Insurance Policy

| VI Actuarial Assumptions: | 2012-13 | 2011-12 |
|---------------------------|---------|---------|
| i) Discount Rate | 8.00% | 8.00% |
| ii) Salary Escalation | 4.00% | 4.00% |

b) Leave Encashment :

The liabilities towards short term compensation absences is Rs. 9.70 Lacs & Long Term compensation absences is Rs. 12.23 Lacs (Previous year short term compensation absences is Rs. 7.19 Lakhs & Long Term compensation absences is Rs. 10.82 Lakhs).

| Actuarial Assumptions: | 2012-13 | 2011-12 |
|------------------------|---------|---------|
| Discount Rate | 8.00% | 8.50% |
| Salary Escalation | 5.00% | 5.00% |

Note 43 RELATED PARTIES DISCLOSURE:

As per Accounting Standard-18 , the disclosure of parties & transactions during the year as deemed in the Accounting Standard are given below the related parties with whom the company had transactions and related parties where control exist/ none.

| A | BODY CORPORATES/ FIRM. | Nature of Relationship |
|----------|--|---|
| | Remsons Cables Industries Private Ltd. | Associate Company |
| | Goodluck Electronics Private Ltd. | Associate Company |
| | Krishna Industries | Partnership firm where Directors/ Relatives are partners |
| B | KEY MANAGEMENT PERSONNEL. | |
| | Mr. V.Harlalka | |
| | Mr. Krishna Kejriwal | |
| | Mrs. Chand Kejriwal | |
| | Mr. Anil Kumar Agrawal (w.e.f 11.08.2012) | |
| C | RELATIVE OF KEY MANAGEMENT PERSONS. | |
| | Late Mrs. Sita Harlalka | |
| | Mr. Basant Kejriwal | |
| | Mr. Rahul Kejriwal | |
| | Mrs. Ranees Khatkhate | |
| | Mrs. Shivani Kejriwal | |
| | V.Harlalka HUF | |
| | Krishna Kejriwal HUF | |
| | Rahul Kejriwal HUF | |

DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON 31ST MARCH, 2013.

| PARTICULARS | OTHER RELATED PARTIES | | KEY MANAGEMENT PERSONNEL & RELATIVES | |
|--|-----------------------|----------------------|--------------------------------------|----------------------|
| | 2012-13 ₹ in Lacs | 2011-12 ₹ in Lacs | 2012-13 ₹ in Lacs | 2011-12 ₹ in Lacs |
| Sale of Goods & Services | 42.84 | 28.12 | - | - |
| Remsons Cables Industries Pvt Ltd | 42.84 | 28.13 | - | - |
| Purchase of goods/services | 30.12 | 33.87 | - | - |
| Remsons Cables Industries Pvt Ltd | 30.12 | 33.87 | - | - |
| Purchase of Fixed assets | - | 12.83 | - | - |
| Remsons Cables Industries Pvt Ltd | - | 12.83 | - | - |
| Others | - | - | - | - |
| Sale of Fixed assets | 4.17 | 10.18 | - | - |
| Remsons Cables Industries Pvt Ltd | 4.17 | 10.18 | - | - |
| Others | - | - | - | - |
| Rent paid | 30.00 | 30.00 | 15.54 | 17.68 |
| Goodluck Electronics Pvt Ltd | 30.00 | 30.00 | - | - |
| Mrs. Chand Kejriwal | - | - | 15.00 | 15.52 |
| Mrs. Shivani Kejriwal | - | - | 0.54 | 2.16 |
| Conversion Charges Paid | - | 53.12 | - | - |
| Krishna Industries | - | 53.12 | - | - |
| Others | - | - | - | - |
| Commission Paid | - | - | 6.19 | 6.12 |
| Mr. Basant Kejriwal | - | - | 6.19 | 6.12 |
| Others | - | - | - | - |
| Remuneration | - | - | 46.79 | 32.63 |
| Mr. Krishna Kejriwal | - | - | 15.64 | 15.74 |
| Mrs. Chand Kejriwal | - | - | 10.36 | 10.37 |
| Mr. Anil Kumar Agrawal | - | - | 13.33 | - |
| Mr. Rahul Kejriwal | - | - | 7.46 | 6.52 |
| Director Sitting Fees | - | - | 0.75 | 0.85 |
| Mr. V.Harlalka | - | - | 0.25 | 0.25 |
| Mr. S.B.Parwal | - | - | 0.25 | 0.25 |
| Mr. S.K.Agarwal | - | - | 0.05 | - |
| Mr. V.K.Mahtani | - | - | 0.15 | 0.25 |
| Mrs. Saroj N. Rao | - | - | 0.05 | 0.10 |
| Finance Cost Paid | - | - | 83.89 | 83.89 |
| Mr. V.Harlalka | - | - | 5.58 | 4.19 |
| Mr. Krishna Kejriwal | - | - | 39.76 | 39.76 |
| Mrs. Chand Kejriwal | - | - | 32.18 | 32.18 |
| Mr. V.Harlalka HUF | - | - | 2.77 | 2.77 |
| Mr. Krishna Kejriwal HUF | - | - | 2.60 | 2.59 |
| Mr. Rahul Kejriwal | - | - | 0.60 | 0.60 |
| Mr. Rahul Kejriwal HUF | - | - | 0.40 | 0.40 |
| Late Smt. Sita V. Harlalka | - | - | - | 1.40 |
| Payable | - | - | 841.26 | 841.78 |
| Mr. V. Harlalka | - | - | 55.82 | 55.82 |
| Mr. Krishna Kejriwal | - | - | 397.59 | 397.59 |
| Mrs. Chand Kejriwal | - | - | 321.75 | 321.75 |
| Mr. V. Harlalka HUF | - | - | 27.75 | 27.75 |
| Mr. Krishna Kejriwal HUF | - | - | 26.00 | 26.00 |
| Mr. Rahul Kejriwal | - | - | 6.00 | 6.00 |
| Mr. Rahul Kejriwal HUF | - | - | 4.00 | 4.00 |
| Mr. Basant Kejriwal | - | - | 2.35 | 2.87 |

Related parties are identified by the Management & relied upon by the Auditors.

Note 44 DISCLOSURE OF PROVISION AS REQUIRED BY ACCOUNTING STANDARD 29.

| Particulars | Provision for Doubtful Debts | |
|---|------------------------------|----------------------|
| | 2012-13 ₹ in Lacs | 2011-12 ₹ in Lacs |
| Carrying amount at beginning | 34.06 | 58.43 |
| Additional Provision made during the year | -- | 0.78 |
| Less : Net Amount paid/adjusted during the year | -- | 25.15 |
| Carrying amount at the end of year | 34.06 | 34.06 |

Note 45 a) BREAK-UP OF EXCISE DUTY ON STOCKS OF FINISHED GOODS :

| | 2012-13 ₹ in Lacs | 2011-12 ₹ in Lacs |
|---|----------------------|----------------------|
| Opening Balance | 47.84 | 25.96 |
| Closing Balance | 52.08 | 47.84 |
| Diff. Debit/ (Credit) to Profit & Loss Account | 4.24 | 21.88 |

b) Excise Duty of Rs. 1198.84 Lacs (Previous year Rs. 1127.90 Lacs) pertains to Excise Duty of Sales only.

Note 46 a) Hedged Foreign Currency Exposure :

The hedged foreign currency exposure as on 31st March,2013 is given below :-

| Currency | 2012-13 (FC in Lacs) | 2012-13 ₹ in Lacs | 2011-12 (FC in Lacs) | 2011-12 ₹ in Lacs |
|-------------------|-------------------------|----------------------|-------------------------|----------------------|
| Payables (Cr) USD | 15.00 | 822.00 | - | - |

b) Unhedged Foreign Currency Exposure

The Un hedged foreign currency exposure as on 31st March,2013 is given below :-

| Currency | 2012-13 (FC in Lacs) | 2012-13 Rs. in Lacs | 2011-12 (FC in Lacs) | 2011-12 Rs. in Lacs |
|-----------------------|-------------------------|------------------------|-------------------------|------------------------|
| Payables (Cr) USD | 2.63 | 143.96 | 5.74 | 295.83 |
| Payables (Cr) Euro | 4.19 | 287.76 | 2.00 | 137.76 |
| Payables (Cr) GBP | 0.06 | 5.28 | 0.07 | 5.63 |
| Receivables (Dr) USD | 0.22 | 11.67 | 0.23 | 11.86 |
| Receivables (Dr) Euro | 6.60 | 453.68 | 4.60 | 310.21 |
| Receivables (Dr) GBP | 0.01 | 0.93 | - | - |

Note 47 Donation paid Includes donation paid to a political party - (Bhartiya Janta Party) of Rs. NIL (Previous year 0.70 Lacs).

Note 48 Previous year figures have been reclassified and regrouped to correspond with the figures of the current year wherever necessary.

SIGNATURE TO NOTES "1" TO "48"

As per our report of even date

For and on behalf of the Board

For Kanu Doshi Associates

Chartered Accountants

Firm Reg. No. 104746W

Ankit Parekh

Partner

Mem. No. 114622

Place : Mumbai

Dated : 27th May, 2013

V.Harlalka

K.Kejriwal

Anil Kumar Agrawal

Sukhdeo Purohit

Chairman

Managing Director

Director - Finance & CFO

Company Secretary



REMSONS INDUSTRIES LTD.

Registered Office : 88B-Govt. Indl. Estate, Kandivli (W), Mumbai - 400 067

Date : 27th May, 2013

Dear Shareholder,

Sub : "GO GREEN" Initiative of the Ministry of Corporate Affairs ("MCA"), Government of India.

The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies vide circular no. 17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011, in terms of which a company would have ensured compliance with the provisions of Section 53 of the Companies Act 1956 if services of documents have been made through electronic mode. The companies are now permitted to send various notices /documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

Your company thus proposed to send in future all its documents/communications including AGM and General Meeting notices, Annual Report, Audited Financial Statements, Directors' Report, Auditors' Report to the shareholders by electronic mode to the respective email address of the shareholders in lieu of the physical mode.

Hence, we request all our shareholders to register their email address on or before 31st August, 2013 since your Company has decided to send their Annual Reports for the year ended March 31, 2013 by electronic mode to the respective email addresses of the shareholder.

For Shareholders holding shares in Electronic / D-Mat mode :-

Share holders holding shares in D-Mat mode are requested to register their email address and changes if any in their existing email address with their respective Depository Participants (DP). If the shareholders still want to receive physical copy of documents/communications they should intimate by writing a letter or email to the Registrar and Share Transfer Agents of the Company at following address on or before 31st August, 2013, by mentioning their full name and DP/Client ID.

For Shareholders holding shares in Physical mode :-

Share holders are requested to register their email address and changes if any in their existing email address by writing a letter or email to the Registrar and Share Transfer Agents of the Company. If the shareholders still want to receive physical copy of documents/communications they should intimate by writing a letter or email to the Registrar and Share Transfer Agents of the Company at following address on or before 31st August, 2013 by mentioning their full name and Folio nos.

Mr. T. Sasikumar,
Registrar and Share Transfer Agents
Sharex Dynamic (India) Pvt. Ltd
UNIT : REMSONS INDUSTRIES LIMITED
Unit-1, Luthra Ind. Premises, E. M. Vasanji Marg, Safed Pool,
Andheri Kurla Road, Andheri East, Mumbai 400072
Tel. No. 022-28515606/5644 Fax : 91-22-28512885
Email : remsons.gogreen@sharexindia.in

We also ensure that all documents/communications shall be displayed on the Company's website www.remsons.com and shall be made available for inspection during the working hours at the registered office of the Company. We are sure that you will welcome the "Green Initiative" taken by the MCA and your company's desire to participate in the same. We look forward to your support in this initiative.

Thanking you,

Yours faithfully,

For REMSONS INDUSTRIES LIMITED

SUKHDEO PUROHIT
COMPANY SECRETARY



REMSONS INDUSTRIES LTD

88-B, Government Industrial Estate, Kandivli (W), Mumbai - 400 067.

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall).

Regd. Folio No. _____

DP ID: _____

Client ID No: _____

NAME OF THE MEMBER/PROXY*
ADDRESS:

NO. OF SHARES HELD :

I hereby record my presence at the 41ST ANNUAL GENERAL MEETING of the Company held on Thursday, the 26th September, 2013 at 4.00 p.m. at 88B, Govt. Industrial Estate, Kandivli (W), Mumbai - 400 067.

SIGNATURE OF MEMBER/PROXY*

* Strike-out whichever is not applicable.



REMSONS INDUSTRIES LTD

88-B, Government Industrial Estate, Kandivli (W), Mumbai - 400 067.

PROXY FORM

Regd. Folio No. _____

DP ID: _____

Client ID No: _____

No. of Shares Held _____

I/We _____
of _____ being a Member/Members of
Remsons Industries Limited hereby appoint _____
of _____
or failing him _____
as my/our proxy to vote for me/us and on my/our behalf at the 41ST ANNUAL GENERAL MEETING of the Company to be held on the 26th September, 2013 and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Affix
15 Paise
Revenue
Stamp

Note : The Proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.





BOOK POST

REMSONS Industries Limited

If undelivered please return to:

Regd. Off: 88-B, Government Industrial Estate, Kandivli (West), Mumbai - 400067

Tel: (022) 28683883 / 28684452

Email: remsons@vsnl.com Website: www.remsons.com