

NOTICE

To,
The Members

NOTICE is hereby given that the 30th Annual General Meeting of the Company will be held at its Registered Office, Plot No.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, in the state of Gujarat on Friday, the 21st September, 2012, at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and the Audited Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Shri Vijay Singh Bapna, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Rajendra Saraf, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Abhishek Mandawewala, who retires by rotation, and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

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 372A of the Companies Act, 1956 consent of the Company be and is hereby accorded to the Board of Directors of the Company for making investment in equity shares and Preference Shares of Welspun Captive Power Generation Limited ("WCPGL") up to a limit of ₹ 1.30 crores (Rupees One Crores Thirty Lacs only) and the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, things as may be required to give effect to this resolution"

Date: 13.07.2012

By Order of the Board

K. N. Kapasi
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER.

2. The Register of Members of the Company will remain closed from Tuesday 28th August, 2012 to Thursday 30th August, 2012, both days inclusive.
3. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the special business to be transacted at the meeting is appended hereto.
4. All correspondence pertaining to Equity Shares should be forwarded to the Company's Registrar and Share Transfer Agent M/s. Bigshare Service Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400 072.
5. Members are requested to immediately inform about their change of address or consolidation of folios, if any, to the Company's Share Transfer Agent.

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

SPECIAL BUSINESS:-

The Company has been approached by Welspun Captive Power Generation Limited ("WCPGL") to enter into a power purchase agreement with them for procurement of the electrical energy which will be generated from their captive power plant of 80 MW capacity in the state of Gujarat for use by company's manufacturing facilities located in Bharuch.

Considering cost savings which could result from the procurement of power from captive power plant of WCPGL, the Company proposes to enter into power purchase agreement.

As per one of the conditions of power purchase agreement, the Company has to make investment in equity/Preference shares of WCPGL upto ₹ 1.30 crores (Rupees One Crores Thirty Lacs only).

The said investment exceeds the limits specified under Section 372A of the Companies Act, 1956 and require approval of shareholders by passing a special resolution.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

Place: Mumbai
Date: 13.07.2012

By Order of the Board

K. N. Kapasi
Company Secretary

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DIRECTORS' REPORT TO THE MEMBERS

The Directors present their 30th Annual Report together with Audited Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

(₹ Lacs)

	Year ended 31-03-2012	Year ended 31-03-2011
Sales & Other Income	58712	59741
Profit / (Loss) before interest and depreciation	741	181
Interest and Financial Charges	4215	3122
Depreciation and Amortization	2227	2313
Profit/ (Loss) before tax	(5701)	(5254)
Less : Fringe Benefit Tax	-	-
Profit/ (Loss) after Tax	(5701)	(5254)
Profit/ (Loss) brought forward from previous year	(14140)	(8886)
Balance carried to Balance Sheet	(19841)	(14140)

OPERATIONS

Performance of Alloy Steel and Seamless Tubes of the Company was as under:

Particulars	2011-12			2010-11		
	Production (Tones)	Sales (in Qty.)	Gross Sales (₹ in Lacs)	Production (Tones)	Sales (in Qty.)	Gross sales (₹ in Lac)
Steel	96649	95768	53334	109318	109524	56457
Seamless Pipes	11543	11494	10824	12366	12303	9100

Our main share is in automobile industry. There is a tough competition from companies with Blast Furnace route which has resulted in erosion of margin of profits.

Steel division has not performed well since steel input cost has gone up during the year and increased in input cost could not be passed on to customers in view of recession in steel market.

Cost of production of pipe was high due to frequent breakdown in pressure which resulted into increase in maintenance cost and loss of production

The Company has developed new grades in steel division and also rejections in pipes have been reduced.

DIRECTORS

Shri. Vijay Singh Bapna, Shri. Rajendra Saraf and Shri Abhishek Mandawewala, the directors of the Company retire by rotation at 30th Annual General Meeting and being eligible offered themselves for reappointment.

Your directors recommend their appointments/reappointments.

AUDITORS

M/S. Chaturvedi & Shah hold office of Auditors until the conclusion of the 30th Annual General Meeting. Members are requested to reappoint them for continuing in the office until conclusion of the next Annual General Meeting.

AUDITORS' OBSERVATIONS

References drawn by the auditors' in their report are self explanatory.

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

In terms of the above rules, the Directors are pleased to give the particulars as prescribed therein in the Annexure, which forms part of the Directors' Report. Form B relating to research and technology absorption being nil is not attached.

Foreign exchange used and earning is mentioned below:

Used: ₹ 7476 lacs (₹ 3176 Lacs)

Earning: ₹ 1847 Lacs (₹ 724 Lacs)

CORPORATE GOVERNANCE

A separate report on Corporate Governance is annexed hereto as a part of this Report. Management Discussion and Analysis Statement is separately given in the Annual Report. A certificate from Shri A L Makhija, Practising Company Secretary regarding compliance of conditions of Corporate Governance as prescribed under Clause 49 of the Listing Agreement is attached to this report

PARTICULARS OF EMPLOYEES

As required by the provisional of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts is being sent to all the shareholders of the Company excluding the aforesaid information. Any shareholder interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Sub-Section (2AA):

Your Directors state:

- that in the preparation of the annual accounts, all the applicable accounting standards had been followed along with proper explanations relating to material departures;
- that the directors had 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 or loss of the Company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Board takes this opportunity to express its sincere appreciation for the excellent support and co-operation received from the Company's customers, suppliers, bankers and the share holders for their consistent support to the Company.

The directors also sincerely acknowledge the significant contributions made by all employees for their dedicated services to the Company.

For and on behalf of the Board of Directors

Abhishek Mandawewala **R.R.Mandawewala**
Executive Director Director

Place: Mumbai
Date: 13.07.2012

MANAGEMENT AND DISCUSSION ANALYSIS

A) Industry structure, scenario & development

India ranked as the fourth largest producer of crude steel in the world during January-November 2011 after China, Japan, and the USA. After a sharp increase in world consumption of finished steel in 2010 (15 per cent), the consumption is estimated to slow down to 6.5 per cent for 2011 and 5.4 per cent in 2012 as per World Steel Association estimates. The country has also been the largest sponge iron producer in the world since 2002. Domestic crude steel production grew at a compounded annual growth rate (CAGR) of 8.4 per cent during 2006-7 to 2010-11. The increase in production is driven by 8.8 per cent growth in crude steel capacity mainly in the private-sector plants and high utilization rates during this period. The Indian steel industry has diversified its product mix to include sophisticated value-added steel used in the automotive sector, heavy machinery, and physical infrastructure. Despite the softening of industrial demand as reflected in a 4.4 per cent growth in real consumption of total finished steel during April-December, 2011 over the same period of last year, the overall April-December 2011 performance of the Indian steel industry is optimistic. In 2011, it was faced with stiff challenges posed by rising inflationary pressures at home and deteriorating global growth conditions. The multiple hikes in interest rates by the central bank also impacted the industry's growth directly and indirectly through their effect on the growth of key user industries. Raw material security (e.g. getting iron ore mining lease), infrastructure (affecting logistics and transport), quality of coking coal, and uncertainties in land acquisition have emerged as bottlenecks to setting up new steel plants.

India's steel consumption may grow by just 4.3% in 2011 to 67.7 million tonne (MT), premier industry body World Steel Association said "In 2011, India's steel use is forecast to grow by 4.3% to reach 67.7 MT due to economic growth. In 2012, the growth rate is forecast to accelerate to 7.9%," the association said in its outlook for 2011 and 2012.

Countries like Australia and Brazil are reaching out to strengthen the iron ore export industry, which is expected to boom for the next five years, whereas India, the third largest iron ore exporter, is under threat of severe damage to the iron ore exports, if practical and viable mining policies are not implemented immediately. With the blanket ban continuing in Karnataka, Steel industry in India is struggling to meet the production requirements, with severe shortage of raw material. If the ban extends for few more weeks, many units will face shut downs shortly. Indian steel makers are investing in iron ore exploration overseas, in countries like Afghanistan, with their domestic growth largely affected by regulatory issues. A strong mining regulation is a must to curb the illegal mining, but the mining should start in full swing in order to help the domestic steel and iron ore export industry.

The historical relationship between gross domestic product (GDP) and steel use growth in India indicates the latter has always been ahead, except during the slowdown in 2008-09. With its sluggish growth, steel consumption will once again lag behind the GDP growth rate.

The global steel market is threatened by excess capacity. Despite the demand growth seen in 2010-11, steelmaking capacity still exceeds steel demand. It cites the reduction of confidence in the marketplace in the latter half of 2011 resulting from the European sovereign debt crisis as being responsible for halting investments in large-scale European infrastructure projects. It adds that this is further complicated by the political expediency of protecting jobs, thereby stopping any rationalisation in the steel sector.

The steel sector seems to be the newest victim of slowing demand. Monetary tightening is reflecting in demand deceleration. India's steel production appears to be getting affected by inflation and higher interest rates and their effect on demand.

Business Line reported that the foundry industry in India may find it tough to sustain the 15% growth rate because of dwindling iron ore resource. Iron ore for the foundry industry is mainly supplied from mining pits in Karnataka, Goa and Chhattisgarh. The ban on mining of iron ore in Karnataka and Goa has impacted the supply of high grade iron ore for pig iron. World Foundry Organization said that in addition to iron ore supply,

the supply of uninterrupted power in all the major foundry clusters of West Bengal, Karnataka, Punjab, Tamil Nadu, and Gujarat, is poor. In Tamil Nadu, foundries are being forced to run just one shift per day. Besides, every year, the power tariff is going up significantly. The ban on mining of iron ore has impacted foundries which are basically small and medium units and are not in a position to secure supplies as it will significantly increase the cost of production.

The Indian economy is estimated to grow by 6.9 per cent in 2011-12, after having grown at the rate of 8.4 per cent in each of the two preceding years. With agriculture and services continuing to perform well, India's slowdown can be attributed almost entirely to weakening industrial growth. Monetary policy was tightened by the Reserve Bank of India (RBI) during the year to control inflation and curb inflationary expectations.

In a significant relief to the Indian Steel makers currently reeling under severe raw material shortages, India's largest iron ore producer National Mineral Development Corporation (NMDC) will step up production by at least 20% this fiscal on the back of fresh iron ore reserves that pushed total reserves up by around 50%. The iron ore shortages have of late forced several Indian steel makers scale down their operations. NMDC sells over 85% of iron ore produced to the domestic players.

B) OPPORTUNITY & THREATS

Demand of steel in global market mostly depends upon growth of infrastructure in China, India and other developing countries. Constant increase in price of steel and coking coal may affect competitiveness of Indian end users of steel. Further, increase in competition affect margin of profits.

The Company concentrates in Niche market. The Company shall concentrate Aerospace, Defense, Railway, Drilling, Yellow Good, Oil & Gas (Export), Turbine, Wind Energy, Machine/Ship Building, Gear Development, Engines, Open Die Forgers etc.

The Company is taking various steps to utilize its existing capacity to the maximum extent.

C) SEGMENTWISE AND PRODUCTWISE PERFORMANCE

Product wise performance is given in Directors Report under heading operations.

D) RISK & CONCERNS

Additional capacity being generated for production of Alloy Steel in India caused pressure on sales & margin.

However the Company expects to mitigate the impact of risks and concerns since the Company concentrates on niche products.

E) INTERNAL CONTROL SYSTEM

The Company employs adequate and effective system of internal control systems that provide for:-

- i) security of the asset
- ii) efficient management information system
- iii) compliance with all laws and regulations
- iv) Compliance with all standard system and quality standards.

F) INDUSTRIAL RELATIONS & HUMAN RESOURCES

Human resource is the key factor for the success of any organization. Your Company places considerable emphasis on continuous enhancement of skills and performance of human resources across the organization.

G) DISCUSSION & FINACIAL PERFORMANCE

REVENUE

Revenue from operation of the Company is of ₹ 582 Crores during the year ended 31st March 2012 as ₹ 594 Crores during the year 31st March 2011.

EBDITA

Profits before depreciation & financial charges during the year ended 31st March 2012 was of ₹ 741 Lacs as compared to profits of ₹181 Lacs for the year ended 31st March 2011.

H) FUTURISTIC STATEMENT

Company's performance as expressed or implied could differ materially due to economic conditions affecting demand/supply and price condition in the domestic & overseas markets, changes in the Government regulations, tax laws & other incidental factors.

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ANNEXURE
FORM - A
(SEE RULE 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

		Current Year 2011-12	Previous Year 2010-11
A Power and fuel consumption			
1	Electricity		
	(a) Purchased		
	Units (In '000S)	109195	123662
	Total Amount (Rs.in Lacs)	6715	6815
	Rate / Unit (Rs.)	6.15	5.51
	(b) Own Generation	Nil	Nil
2	Gas Used		
	Units (In '000S)	12850	12628
	Total Amount (Rs.in Lacs)	2842	2033
	Rate / Unit (Rs.)	22.12	16.10
3	Furnace Oil		
	Quantity (K.Ltrs.)	Nil	141
	Total amount (Rs.in Lacs)	Nil	34
	Average Rate (K.Ltrs.)	Nil	24398
4	Others / Internal Generation	Nil	Nil
B CONSUMPTION PER UNIT OF PRODUCTION			
STANDARDS			
Products (With Details)			
	Steel (Production In MT)	96649	109318
	Pipe (Production In MT)	11543	12366
	Electricity/Steel Kwh	855	990
	Electricity/Pipe Kwh	1305	1174
	Steel Production/MT		
	Natural Gas	86	90
	Pipe Production/MT		
	Gas	281	362

CORPORATE GOVERNANCE - CLAUSE 49 OF THE LISTING AGREEMENT

A. Company's Philosophy

Remi Metals Gujarat Limited believes that for a company to succeed on a sustained basis, it must maintain global standards of corporate conduct towards its employees, shareholders, consumers and society.

The primary objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness.

B. Board of Directors

i) Composition:

Details of composition of the existing Board of Directors as on 31st March 2012 are given below:

Sr. No.	Name of Director	Category	No. of Shares Held	Attendance Particulars		Directorship in other public limited companies	Committee Chairmanship/ membership in other public limited companies
				Annual General Meeting	Board Meeting		
1	Mr. R. C. Saraf	P,NE,S	100501	No	3	4	4M
2	Mr. Rishabh R. Saraf	P,NE	Nil	No	3	2	-
3	Mr. Atul Desai	I,NE,C	Nil	Yes	3	5	3C/5M
4	Mr. Nirmal Gangwal	I,NE	Nil	No	NIL	6	3M
5	Mr. Vijay Singh Bapna	NE	Nil	No	3	2	1M
6	Mr. R. G. Sharma	I,NE	Nil	No	4	4	2C/1M
7	Mr. Abhishek Mandawewala	SI,E	Nil	No	4	3	1M
8	Mr. Rajesh R. Mandawewala (with effect from 7-11-2011)	SI,NE	Nil	N.A.	2	14	5M
9	Mr. B. K. Goenka (upto 7-11-2011)	SI,NE	Nil	Yes	2	12	1C/5M
10	Mr. M. L. Mittal (upto 7-11-2011)	NE	Nil	No	2	9	2M

Abbreviations:

P = Promoter, E = Executive Director, NE = Non Executive Director, I = Independent Non Executive, S = Shareholder, C = Chairman, M = Member, SI= Strategic Investor.

ii) Details of Date of Board Meeting:

During the year 2011-12, the Board of Directors met four times on the following dates: -30.05.2011, 05.08.2011, 07.11.2011 and 03.02.2012.

C. COMMITTEES OF THE BOARD

The Committee constituted by the Board as on the date are mentioned below:

1. AUDIT COMMITTEE

The Audit Committee consists of the following 2 Non-Executive Directors as on 31.03.2012.

- Mr. Atul Desai - Chairman (Independent)
- Mr. R. G. Sharma - Member (Independent)
- Mr. M. L. Mittal - Member (upto 7.11.2011)
- Mr. Abhishek Mandawewala - Member (w.e.f 07.11.2011)

The Secretary of the Company also acts as a Secretary to the Committee.

Terms of reference:

The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained under clause 49 of the Listing Agreement.

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Four meetings of Audit Committee of Board of Directors were held on 30.05.2011, 05.08.2011, 07.11.2011 and 03.02.2012. The details of Attendance of Members of audit committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2011 to 31/03/2012)
1	Mr. Atul Desai	Chairman	3
2	Mr. M. L. Mittal (upto 7-11-2011)	Member	2
3	Mr. R. G. Sharma	Member	4
4	Mr. Abhishek Mandawewala	Member	2

2. REMUNERATION COMMITTEE

Remuneration committee of the Board of Directors of the Company consists of the following persons:

Mr. Atul Desai	-	Member
Mr. Nirmal Gangwal	-	Member
Mr. M. L. Mittal	-	Member (upto 7.11.2011)
Mr. R. G. Sharma	-	Member
Mr. Abhishek Mandawewala	-	Member (w.e.f 07.11.2011)

During the year 2011-12, no Remuneration Committee meeting was held.

Terms of Reference

To recommend payment of Remuneration to Managing Director/Executive Director from time to time.

The details of Remuneration paid/due during the period under review to Mr. Abhishek Mandawewala are mentioned below:

(Amt. in Rs.)

Particulars	Mr. Abhishek Mandawewala (Executive Director)
Basic	6,63,192
HRA/ Rent Free Accomodation	2,65,272
Bonus/ Exgratia	55,248
Other benefits	4,84,392
Total	14,68,104
notice period	3 months
service contract	5 Years

The details of sitting fees paid to Non Executive Directors of the Company are given below:

Name of Director	Total Sitting Fees Paid for attending meeting of Board of Directors /Audit Committee/Share transfer and Investors Grievance Committee for the year 2011-12
Mr. Atul Desai	Rs.42,000/-
Mr. R. G. Sharma	Rs.50,000/-

3. SHARE TRANSFER AND INVESTORS' GRIEVANCE COMMITTEE

- a) The Share Transfer and Investors' Grievances Committee focused on shareholder's grievances and strengthening of investor relations. The functions of the Committee include specifically looking into redressal of investors' grievances pertaining to Transfer of shares, Dematerialization of shares, replacement of lost/ stolen/mutilated share certificates and other related issues.
- b) Composition and details of attendance of members of the Committee are as follows:

Sr.No.	Name of the Member	Designation	Number of Meetings Attended (01/04/11 to 31/03/12)
1.	Mr. M.L.Mittal (upto 07.11.2011)	Member	3
2.	Mr. Atul Desai	Chairman	5
3.	Mr. Ram Gopal Sharma	Member	5
4.	Mr. Abhishek Mandawewala (w.e.f. 07.11..2011)	Member	1

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- c) Six meetings of Share Transfer and Investors Grievance Committee were held on 21.04.2011, 27.05.2011, 15.07.2011, 28.10.2011, 25.01.2012 and 10.02.2012.
- d) Number of shareholders complaints/ requests received during the year:

During the year under review, total Investor's complaints/ requests were received. Break up and number of complaints/ requests received under different category is given hereunder:

Sr. no.	Category	No. of complaints Recd
1	Non receipt of annual report	5
2	Non receipt of Demat credit	7
3	Non receipt of Demat rejection documents	6
4	Non receipt of dividend warrant	4
5	Non receipt of exchange share certificates	56
6	Non receipt of share certificate after transfer	6
7	SEBI	4
Total Complaints Recd		88

All the complaints/ requests received during the year under report were resolved within the time limit to the satisfaction of the investors/ shareholders and no complaints were pending as on 31st March 2012 for more than 30 days.

D. GENERAL BODY MEETINGS:

- (i) The details of General Meetings held in the last three years are given hereunder:

Date	Type of meeting	Location	Time	No. of special Resolutions
26/09/2009	Annual General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	4
30/03/2010	Extra Ordinary General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	1
04/09/2010	Annual General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	1
29/09/2011	Annual General Meeting	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Guj.	12.30 P.M	1

- (ii) Details of Special Resolutions passed in the last three years are given hereunder:

Date	Location	No. of special Resolutions	Special Resolutions passed
26/09/2009	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat.	Four	a) Appointment of Mr. Vijay Singh Bapna as an Executive Director on remuneration of Rs.40,00,000 per annum with effect from 30-06-2009 for a period of three years. b) Alteration of Articles no. 3 of Articles of Association for reclassification of authorized share capital into preference shares and equity shares. c) Consent to Board of Directors to issue and allot Preference shares not exceeding Rs.96 Crores to the Promoters/co promoters/ the strategic investors. d) Consent to delist equity shares from Ahmedabad Stock Exchange, The Delhi Stock Exchange, Madras Stock Exchange, The Calcutta Stock Exchange and Vadodara Stock Exchange.
30/03/2010	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist.Bharuch, Gujarat.	One	Consent to Board of Directors to issue and allot Preference shares not exceeding Rs.135 Crores to the Promoters/co promoters/ the strategic investors.
04/09/2010	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist.Bharuch, Gujarat.	One	Appointment of Mr. Abhishek Mandawewala as an Executive Director on remuneration of Rs.15,00,000 per annum with effect from the date of AGM for a period of Five years.
29/09/2011	Plot no.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist.Bharuch, Gujarat.	One	Alteration in Article no. 157 relating to affixation of Common Seal of the Company in the presence of any one of the directors or company secretary or any authorized person.

- (iii) During the year under report, no resolution was passed through postal ballot.

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E MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis of various businesses of the Company is separately given in the Annual report.

F DISCLOSURES

- (i) Transactions with related parties are disclosed in Note No. 27 of Notes forming part of the financial statements. None of these are in conflict with the interests of the Company.
- (ii) There was no non-compliance of any law or regulations (during the last three years) and hence, no penalties/strictures.
- (iii) Certification by CEO/CFO – Certificate obtained from Executive Director and President (Accounts and Finance) on the financial statements of the Company in terms of Clause 49 of the Listing Agreement was placed before the Board meetings, who took the same on record.
- (iv) Brief resume of Directors being appointed / reappointed –
 1. Mr. Vijay Singh Bapna is Whole Time Director of the Welspun Maxsteel Limited & Welspun Steel Limited in 2009. He is a Chartered Accountant having rich experience of nearly 4 decades in Project implementation and Plant operations in metal / pipe and allied industry with a strong commercial background.
 2. Mr. Rajendra Saraf is engaged in the manufacture of capital goods, industrial goods and consumer items and has experience of nearly 37 years in the various sectors of business at both the factory and management levels.
 3. Mr. Abhishek Mandawewala is 24 years old and he is B.A. /M. Eng. (Honours) from University of Cambridge, UK and he has experience of more than three years. He was an Executive of Welspun Steel Limited till April 30, 2010 and he was appointed as an Executive of the Company w.e.f May 1, 2010.

G MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the audited financial results for the year ended 31-03-2011, unaudited financial results for quarter ended 30-06-2011, 30-09-2011 and 31-12-2011 and forwarded the results to the Stock Exchange and published the same in 'The Free Press Journal (E)' and 'Navshakti', Mumbai edition and in Economic Times (E+G), Bharuch edition.

H. GENERAL SHAREHOLDER INFORMATION:

The next Annual General Meeting shall be held at –

- (i) Venue - Plot no. 1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat,
Time - 12.30 P.M.
Day and Date - Friday, 21st September, 2012
Financial year - from 1st April 2011 to 31st March 2012
- (ii) Date of Book Closure - from Tuesday, 28th August 2012 to Thursday, 30th August 2012
- (iii) Dividend payment date - No dividend has been declared for the financial year 2011-12.
- (iv) Listing on Stock Exchanges and codes
The securities of the Company are listed on the Bombay Stock Exchange (Scrip code – 500365)
- (v) Market Price Data- High-Low Quotations on Bombay Stock Exchange Limited, Mumbai during each month from April 1, 2011 to March 31, 2012 as follows:

Month	Market Price		Sensex	
	High Price	Low Price	High	Low
Apr-11	9.00	6.31	19811.14	18976.19
May-11	8.39	6.30	19253.87	17786.13
Jun-11	7.44	6.00	18873.39	17314.38
Jul-11	6.90	5.85	19131.70	18131.86
Aug-11	6.00	4.71	18440.07	15765.53
Sep-11	6.20	4.83	17211.80	15801.01
Oct-11	5.88	4.85	17908.13	15745.43
Nov-11	5.31	3.83	17702.26	15478.69
Dec-11	5.29	4.00	17003.71	15135.86
Jan-12	5.10	4.11	17258.97	15358.02
Feb-12	7.20	5.00	18523.78	17061.55
Mar-12	5.72	3.96	18040.69	16920.61

REMI METALS GUJARAT LIMITED

(vi) The transfer of shares of the Company are being done by Bigshare Services Pvt. Ltd., the R & T Agents, having address at E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai- 400 072.

Contact person: Mr. Ashok Shetty, Vice President

(vii) Distribution of shareholding of equity shares as on 31st March, 2012 is as follows: -

Shareholding of nominal value ₹	Total Holders		Amount	
	(in Nos.)	% of Total	in ₹	% of Total
1 - 5000	92979	98.07	18024012	2.77
5001 - 10000	879	0.93	5865372	0.90
10001 - 20000	464	0.49	6461982	0.99
20001 - 30000	202	0.21	5143884	0.79
30001 - 40000	70	0.07	2437410	0.38
40001 - 50000	38	0.04	1653276	0.25
50001 - 100000	96	0.10	6868302	1.06
100001 and above	90	0.09	604160802	92.86
Total :	94818	100.00	650615040	100.00

(viii) 10,73,00,939 equity shares constituting 98.95% of the share capital are in demat form as on 31.03.2012.

(ix) Plant Location: Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch.

(x) Address for Correspondence : Plot no.1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist – Bharuch. Tel No. 09727774061/62, 02645-619700, Fax No.02645-619800

(xi) E-mail Id : kaushik_kapasi@welspun.com

(xii) Website : www.remimetals.com

Certificate on compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement TO THE MEMBERS OF REMI METALS GUJARAT LIMITED

We have examined the compliance of conditions of Corporate Governance by Remi Metals Gujarat Limited, for the year ended on 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations as given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor's grievance received during the year ended 31st March 2012, the Registrar and Share Transfer Agents of the Company have certified that as at 31st March, 2012, there were no investors' grievances remaining unattended/ pending for more than 30 days.

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.

A L Makhija
Practising Company Secretary
Membership No. 5087
C.P No. 3410

Place: Mumbai
Date: 13.07.2012

30TH ANNUAL REPORT 2011-12

AUDITOR'S REPORT

TO,
THE MEMBER'S OF REMI METALS GUJARAT LIMITED

- 1.. We have audited the attached Balance Sheet of Remi Metals Gujarat Limited as at March 31, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying our opinion, we draw attention to note no.1 A (c). The accounts have been prepared on a going concern basis though the Company's accumulated losses exceed its net worth and its total liabilities exceed its assets, in view of the reasons referred to in the note therein.
4. As required by the Companies (Auditor's Report) Order, 2003, (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
5. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :-
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Act;
 - e) On the basis of written representations received from the directors, as on 31 March, 2012 and taken on record by the Board of Directors, We report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as Director in terms of clause (g) of sub-section (1) of section 274 of Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - ii) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For CHATURVEDI & SHAH
Chartered Accountants
Registration No. 101720W

Parag. D. Mehta
Partner
Membership No. 113904

Place: Mumbai
Dated: 13th July, 2012

ANNEXURE TO AUDITOR'S REPORT

Annexure referred to in paragraph 4 of Auditor's report of even date to the members of Remi Metals Gujarat Limited on the accounts for the year ended March 31, 2012

- 1)
 - a) The Company has maintained proper records to show all particulars, including quantitative details and situations, of its fixed assets.
 - b) We have been informed that the fixed assets of the Company are physically verified by the Management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed off substantial part of its fixed assets during the year.
- 2)
 - a) As explained to us, inventories have been physically verified by the management at the year end.
 - b) In our opinion and according to the information and explanation 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 nature of its business.
 - c) The Company has maintained proper records of inventory and the discrepancies between physical stocks and the book stocks noticed on physical verification were not material.
- 3)
 - a) The Company has not granted any loans, secured or unsecured, to companies, firms and other parties listed in the register maintained under Section 301 of the Act.
 - b) The Company has taken unsecured interest free loan from one Company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and year end balance was Rs.14085 lac.
 - c) In our opinion and according to information and explanation given to us, terms and condition of loans taken by the Company are not prima facie prejudicial to the interest of the Company.
 - d) The principal amounts, are repayable on demand and there is no repayment schedule.

REMI METALS GUJARAT LIMITED

- 4) There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to the purchases of inventories, fixed assets and sale of goods and services and we have not observed any continuing failure to correct the major weaknesses in such internal controls.
- 5) a) In our opinion and according to the information and explanation given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- b) In our opinion and according to the information and explanation given to us, the transactions of purchase of goods and material and sale of goods, material and services made pursuant of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at a prices which are reasonable having regard to the prevailing market price at the relevant time.
- 6) The Company has not accepted any deposits under the provisions of section 58A and 58AA of the Act or any other relevant provisions of the Act and the rules framed there under.
- 7) In our opinion, the Company's internal audit system is commensurate with its size and nature of business.
- 8) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 209(1)(d) of the Act have been maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- 9) a) According to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India and also based on Management representations, undisputed statutory dues in respect of Provident Fund, Employees State Insurance Dues, Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise duty, Cess and other material statutory dues have generally been regularly deposited, by the Company during the year with the appropriate authorities in India. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2012 for a period of more than six months from the date of becoming payable.
- b) As at March 31, 2012, there have been no disputed dues which have not been deposited with the respective authorities in respect of Income Tax, Custom Duty, Wealth Tax, Service Tax, Excise duty and Cess other than the following:

Name of Statute	Nature of the dues	Amount (Rs. In lac)	Period to which amount relates	Forum where dispute is pending
Finance Act,1994	Service Tax	12	2005-06 to 2007-08	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Excise Duty	34	1996-97 to 1998-99	Commissioner of Central Excise (Appeals)
Finance Act,1994	Service Tax	118	2006-07 to 2011-12	Commissioner of Central Excise (Appeals)
Income Tax Act	Income Tax	77	2004-05	Commissioner of Income Tax (Appeals)
Sales Tax Act	Value Added Tax	24	2007-08	Joint Commissioner, Commercial Tax (Appeal)

- 10) In our Opinion, the accumulated losses of the Company are more than fifty percent of it's net worth as at March 31, 2012, and the Company has incurred cash loss during the financial year and in the immediately preceding financial year.
- 11) According to information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank except *principal repayment of Rs. 390 Lac of bank loan for quarter from January to March 2012, being since paid*. There were no debentures issued during the year or outstanding at the beginning of the year.
- 12) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's report) Order, 2003 is not applicable to the Company.
- 14) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4(xiv) of the companies (Auditor's report) Order, 2003 is not applicable to the Company.
- 15) The Company has not given any guarantees for loans taken by others from bank or financial institutions.
- 16) In our opinion, the term loans have been applied for the purpose for which they were raised.
- 17) On the basis of review of utilization of funds which is based on overall examination of the balance sheet of the Company, related information as made available to us and as represented to us by the Management, we are of the opinion that no funds raised on short term basis have been used for long term assets.
- 18) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- 19) According to the information and explanation given to us, during the period covered by our audit report, the Company has not issued any debentures and no debentures were outstanding at the end of the year. Therefore, the provisions of clause 4(xix) of companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 20) The Company has not raised any money by public issue during the year.
- 21) As per the information with us and explanation given to us and on the basis of examination of records, no material fraud on or by the Company was noticed or reported during the year.

For CHATURVEDI & SHAH
Chartered Accountants
Registration No. 101720W

Parag. D. Mehta
Partner
Membership No. 113904

Place: Mumbai
Dated: 13th July, 2012

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BALANCE SHEET AS AT 31ST MARCH, 2012

(Rs.in lac)

Particulars	Note	As at March 31, 2012	As at March 31, 2011
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	6,506	6,506
Reserves and Surplus	3	(19,841)	(14,140)
		<u>(13,335)</u>	<u>(7,634)</u>
Non-Current Liabilities			
Long Term Borrowings	4	21,061	26,735
Long Term Provisions	5	220	177
		<u>21,281</u>	<u>26,912</u>
Current Liabilities			
Short Term Borrowings	6	11,603	8,633
Trade Payables	7	17,850	14,077
Other Current Liabilities	8	8,447	3,402
Short Term Provisions	9	19	28
		<u>37,919</u>	<u>26,140</u>
TOTAL		<u><u>45,865</u></u>	<u><u>45,418</u></u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	20,662	22,715
Capital Work-in-progress		173	171
		<u>20,835</u>	<u>22,886</u>
Long-Term Loans And Advances	11	277	279
		<u>21,112</u>	<u>23,165</u>
Current Assets			
Inventories	12	10,649	8,632
Trade Receivables	13	11,267	11,042
Cash and Bank Balances	14	1,852	1,248
Short Term Loans and Advances	15	985	1,331
		<u>24,753</u>	<u>22,253</u>
TOTAL		<u><u>45,865</u></u>	<u><u>45,418</u></u>
Significant Accounting Policies & Notes to Accounts forming an integral part of Financial Statements	1		

As per our attached report of even date

For CHATURVEDI & SHAH
Chartered Accountants

For and on behalf of the Board of Directors

Parag D Mehta
Partner
Membership No. 113904

Abhishek Mandawewala
Executive Director

Rajesh Mandawewala
Director

Place : Mumbai
Date : 13th July, 2012

Kaushik Kapasi
Company Secretary

REMI METALS GUJARAT LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

(Rs. in lac)

Particulars	Note	For the year ended March 31, 2012	For the year ended March 31, 2011
INCOME			
Revenue from Operations	16	58,487	59,564
Other Income	17	225	177
Total Revenue		58,712	59,741
EXPENSES			
Cost of Materials Consumed	18	39,586	38,699
Changes in Inventories of Finished Goods & Work in Progress	19	(2,092)	430
Employee Benefits Expenses	20	2,816	2,759
Finance Costs	21	4,215	3,122
Depreciation		2,227	2,313
Others Expenses	22	17,661	17,672
Total Expenses		64,413	64,995
Profit/(Loss) before tax		(5,701)	(5,254)
Tax Expenses			
Current tax		-	-
Deferred Tax		-	-
Profit/(Loss) for the year		(5,701)	(5,254)
Earning Per Equity Share (Face value of Rs.6 per share):			
Basic & Diluted (in Rs.)	23	(5.26)	(4.85)
Significant Accounting Policies & Notes to Accounts forming an integral part of Financial Statements			

As per our attached report of even date
For CHATURVEDI & SHAH
Chartered Accountants

For and on behalf of the Board of Directors

Parag D Mehta
Partner
 Membership No. 113904

Abhishek Mandawewala
Executive Director

Rajesh Mandawewala
Director

Place : Mumbai
 Date : 13th July, 2012

Kaushik Kapasi
Company Secretary

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

(Rs. in lac)

Particulars	2011-12	2010-11
A) Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax & Extra-Ordinary items :	(5,701)	(5,254)
Adjustments for :		
Depreciation	2,227	2,313
Foreign Exchange Fluctuation	338	(47)
Finance Costs	4,215	3,122
Loss on Sale of Assets	1	3
Provision for Doubtful Debts	36	-
Provision for Stock Obsolescence	21	-
Provision for Gratuity and Leave Encashment	93	94
	6,931	5,485
Operating Profit/(Loss) before Working Capital Changes	1,230	231
Changes in Working Capital :		
Trade Receivables	(261)	(2,502)
Inventories	(2,038)	930
Loans & Advances	(328)	116
Trade and other Payables	5,086	1,061
	2,459	(395)
Cash generated from / (used in) Operations	3,689	(164)
Income Tax Paid (Net of refund)	(17)	(15)
Net Cash generated from / (used in) Operating Activities	3,672	(179)
B) Cash Flow from Investing Activities:		
Purchase of Fixed Assets (including Work in Progress)	(186)	(509)
Proceeds from sale of Fixed Assets	1	7
Net Cash generated from / (used in) Investing Activities	(185)	(502)
C) Cash Flow from Financing Activities:		
Finance Costs	(4,274)	(3,056)
Proceeds from /(Repayments of) Short Term Borrowings	1,240	2,343
Proceeds from Long Term Borrowings	1,064	3,147
Repayment of Long Term Borrowings	(1,587)	(2,343)
Net Cash generated from / (used in) Financing Activities	(3,557)	91
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	(70)	(590)
Cash and cash equivalents as at the beginning of the year	171	761
Cash and cash equivalents as at the end of the year	101	171
NET INCREASE/(DECREASE) AS DISCLOSED ABOVE	(70)	(590)

Notes :

- Fixed Deposits with Banks under lien amounting to Rs.1751 lac (Previous Year Rs.1077 lac) are not included in Cash & Cash Equivalents
- During the year, long term loan amounting to Rs.860 Lac (Previous year Rs.Nil) were converted from dollar denominated loan to rupee loan. However, the same has not been considered as movement in Financing Activities as it did not involve physical movement of cash.
- Previous year's figures have been regrouped wherever necessary to confirm current year's figures.
- All figures in brackets are outflows.

As per our attached report of even date

For CHATURVEDI & SHAH
Chartered Accountants

For and on behalf of the Board of Directors

Parag D Mehta
Partner
Membership No. 113904

Abhishek Mandawewala
Executive Director

Rajesh Mandawewala
Director

Place : Mumbai
Date : 13th July, 2012

Kaushik Kapasi
Company Secretary

Notes forming part of the Financial Statements

1 SIGNIFICANT ACCOUNTING POLICIES

A BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a) The financial statements are prepared on the historical cost convention on accrual basis and in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 and the applicable accounting standards.
- b) Financial statements for the year ended 31st March, 2012 have been prepared based on revised Schedule VI of the Companies' Act, 1956. The adoption of revised Schedule VI does not impact recognition and measurement principles of individual items within this Financial Statements. However, it has significant impact on presentation and disclosures made in the Financial Statements. The company has accordingly reclassified the previous year's figures to meet the requirements applicable for the current year.
- c) Losses in the last financial year have further eroded net worth of the company. The losses have arisen primarily due to extremely volatile and sharp foreign exchange movements and unabated rise in borrowing costs during the year. Despite the perceptible slowdown, the company, with its focus on process innovation, development of value added products and new applications continue to improve the operating performance matrix and return on capital. The modified draft rehabilitation proposal submitted by the company is in advanced consideration by the Lenders. Availability of additional long term finances to fund the business plan and the planned capital expenditure along with the initiatives on operations will enable the company to further enrich product mix, enlarge customer base and strengthen the revenue streams which in turn, the management believe, would help in managing the business risks successfully despite the current uncertain economic outlook.

The financial statements have been prepared on going concern basis and no adjustment is required to the carrying amount of the assets and liabilities.

B. USE OF ESTIMATES

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

C. FIXED ASSETS

Fixed Assets are stated at cost (net of cenvat credit availed) less accumulated depreciation. The cost of fixed asset includes cost of acquisition, taxes, duties, freight, incidental expenses related to acquisition, construction and installation, allocated pre-operative expenditure and borrowing cost during the preoperational period.

D. DEPRECIATION

The depreciation on fixed assets is provided on straight line method at the rates prescribed in schedule XIV to the Companies Act, 1956. Premium on leasehold land is not amortized as the lease is for long period.

E. IMPAIRMENT OF ASSETS

If the carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flows.

F. INVESTMENTS

Long Term Investments are stated at cost less provision for diminution in the value which is other than temporary. Current Investments are carried at lower of the cost and fair value.

G. FOREIGN CURRENCY TRANSACTIONS / TRANSLATION

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Any fluctuation on account of realisation/payment is accounted as an exchange fluctuation. Foreign Currency transactions remaining unsettled at the end of the year are converted at the year end rates. Exchange differences are dealt within the Statement of Profit and Loss.
- b) Forward contracts are entered into to hedge the foreign currency risk of the underlying transaction. The premium or discount on all such contracts arising at the inception of each contract is amortised as income or expense over the life of the contract. Exchange differences on forward contracts are recognised as income or expense in the Statement of Profit and Loss of the year / period. Any profit or loss arising on the cancellation and renewal of forward contract are recognised as income or expense for the year / period.

H. REVENUE RECOGNITION

Sales are recognized when risks and rewards of ownership are passed on to the customers. Export sales are accounted for on the basis of date of bill of lading. Sales are inclusive of excise duty and net of sales tax and sales during trial run. Exports benefits are accounted on accrual basis.

I. INVENTORIES

Raw Materials are valued at lower of cost or net realisable value. Cost is determined on weighted average basis.

Stores and Spares are valued at cost determined on weighted average basis or net realizable value, except for those which have a longer usable life, which are valued on the basis of their remaining useful life.

Semi Finished and Finished Goods are valued at lower of cost or net realisable value. Cost includes raw material, labour, manufacturing expenses, allocable overheads and depreciation. Scrap is valued at net realizable value.

J. EMPLOYEE BENEFITS

a) Defined Benefit and Other Long Term Benefit plan :

Post employment and other long term employee benefits are recognized as an expense in the statement of profit and loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit and Loss.

b) Short Term Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

K. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent liabilities, if material, are disclosed in the notes. Contingent assets are not recognized or disclosed in the financial statements.

L. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

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Notes forming part of the Financial Statements (Contd.)

2. SHARE CAPITAL

Particulars	As at 31st March 2012		As at 31st March 2011	
	Number of shares	Rs. lac	Number of shares	Rs. lac
Authorised				
Equity shares of Rs.6/- each	110000000	6,600	110000000	6,600
Preference Shares of Rs. 10/- each	54000000	5,400	54000000	5,400
Total		12,000		12,000
Issued and Subscribed and Paid up				
108,435,840 (Previous year 108,435,840) Equity Shares - of Rs.6/- each fully paid up		6,506		6,506
Total		6,506		6,506
a. Reconciliation of the Number of Shares Equity Shares : Face value of Rs.10 each				
As at beginning of the year	108435840	6,506	108435840	6,506
Share issued during the year	-	-	-	-
Buyback/ forfeiture/ reduction shares	-	-	-	-
Outstanding at the end of the year	108435840	6,506	108435840	6,506
b. Details of Shareholders holding more than 5% shares				
Name of the Shareholders	Number of shares	% held	Number of shares	% held
Welspun Steel Limited	43247034	40	43247034	40
Widescreen Holding Pvt Limited	24143333	22	24143333	22
Magnificent Trading Pvt Limited	7012334	6	7012334	6
Calplus Trading Pvt Limited	5520481	5	5520481	5

c. Terms/ rights attached to equity shares

The company has 108,435,840 equity share having par value of Rs 6/- each fully paid up. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends, if any, in indian rupees. The dividend proposed if any, by the board of directors is subject to the approval of the shareholders in ensuing annual general meeting.

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

3. RESERVE AND SURPLUS

(Rs.in lac)

Particulars	As at 31st March 2012	As at 31st March 2011
(Deficit) in Statement of Profit and Loss		
As per the last Balance Sheet	(14,140)	(8,886)
Add : Profit/(Loss) for the year	(5,701)	(5,254)
Total	(19,841)	(14,140)

REMI METALS GUJARAT LIMITED

Notes forming part of the Financial Statements (Contd.)

4. LONG TERM BORROWINGS

(Rs.in lac)

Particulars	As at 31st March 2012		As at 31st March 2011	
	Non Current	Current	Non Current	Current
Secured				
Term Loans from Banks				
Rupee Loans	1,625	6,235	6,825	875
Foreign Currency Loan	1,935	229	2,795	953
	3,560	6,464	9,620	1,828
Unsecured				
Sales Tax Deferred Payment Loan	3,416	678	3,030	-
Electricity Duty Deferred Payment Loan	-	20	-	262
Long Term Loan from Body Corporate	14,085	-	14,085	-
	17,501	698	17,115	262
Total	21,061	7,162	26,735	2,090

- a) Rupee loan of Rs.7,860 lac (Previous year Rs.7,700 lac) and Foreign Currency loan of Rs.2,164 lac (Previous year Rs.3,748 lac) are secured, on pari passu basis, by way of:
- i. Equitable mortgage of fixed assets on first charge basis.
 - ii. Hypothecation of movable machinery on first charge basis.
 - iii. Second charge on current assets.
- Foreign Currency loan carries interest at LIBOR plus bank margin and is repayable in 10 quarterly installments starting from March 13 and ending in June 15.
- Rupee term loans of Rs.3,360 lac carry interest at bank prime lending rate /base rate plus margin and are repayable in 20 quarterly installment starting from September 2010 and ending in September 2015.
- Rupee term loans of Rs.4,500 lac carry interest at base rate plus margin and are repayable in single bullet payment/installment at the end of 36 months from the date of drawdown, i.e. December, 2012.
- b) Sales tax deferment loan is interest free and is repayable from April 2012 in six equal yearly installments.
- c) Loan from body corporate carry nil interest till the Company is deregistered from BIFR and is repayable after March 2013 on mutually agreed terms.
- d) Installments of rupee term loans aggregating to Rs.390 lac due have been paid after the balance sheet date. The rephasing proposal has been sanctioned by major lender in the consortium and is under advanced consideration by other member banks. Post the sanction by all, amount remitted over and above the installment as per revised schedule is to be adjusted against the dues arising in future.

5. LONG TERM PROVISIONS

(Rs.in lac)

Particulars	As at 31st March 2012	As at 31st March 2011
Provision for Employee Benefit		
Provision for Gratuity	153	108
Provision for Leave Encashment	68	69
Total	221	177

30TH ANNUAL REPORT 2011-12

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)		
Particulars	As at 31st March 2012	As at 31st March 2011
6. SHORT TERM BORROWINGS		
Secured		
From Bank		
Working Capital Loans	8,873	7,633
Rupee Loan	1,000	1,000
Unsecured		
Foreign Currency Loans- Buyers Credit	1,730	-
Total	<u>11,603</u>	<u>8,633</u>
a) Working Capital Loans are secured, on pari passu basis, by way of		
i. Hypothecation of current assets on first charge basis.		
ii. Hypothecation of movable machinery on second charge basis.		
iii. Equitable mortgage of fixed assets on second charge basis.		
b) Working Capital Loans carry interest, at bank prime lending rate/base rate plus margin, ranging from 13.50% to 15.15%.		
c) Rupee loan is secured by second pari passu charge on immoveable properties of the company. It carries interest at 13.15%.		
d) Buyers Credit carry interest at LIBOR plus margin (115 bps to 250 bps).		
7. TRADE PAYABLES		
Micro small and medium enterprises (Refer Note No.32)	-	95
Others	17,850	13,982
Total	<u>17,850</u>	<u>14,077</u>
8. OTHER CURRENT LIABILITIES		
Current Maturity of Long term borrowings	7,162	2,090
Interest accrued and due	111	74
Interest accrued but not due	1	18
Advances from Customers	55	54
Book overdraft	80	56
Payable for purchase of fixed assets	291	318
Payable to Employees	169	230
Statutory Liabilities	264	162
Provision for expenses	314	400
Total	<u>8,447</u>	<u>3,402</u>
9. SHORT TERM PROVISIONS		
Provision for Employee Benefit		
Provision for Gratuity	15	22
Provision for Leave Encashment	4	6
Total	<u>19</u>	<u>28</u>

REMI METALS GUJARAT LIMITED

Notes forming part of the Financial Statements (Contd.)

Note 10. FIXED ASSETS

Description	Gross Block				Depreciation / Amortisation				Net Block	
	As at 01-04-2011	Additions	Deductions/ Adjustments	As at 31-03-2012	Upto 31-03-2011	For the year	Deductions/ Adjustments	Upto 31-03-2012	As at 31-03-2012	As at 31-03-2011
TANGIBLE ASSETS :										
Lease hold Land	351	-	-	351	-	-	-	-	351	351
Free hold Land	41	-	-	41	-	-	-	-	41	41
Plant & Machinery	30,719	133	-	30,852	15,818	1,781	-	17,599	13,252	14,901
Electrical Installation	1,997	10	-	2,007	1,317	95	-	1,412	596	680
Buildings	9,399	8	-	9,407	2,815	327	-	3,142	6,265	6,584
Office Equipments	229	12	-	241	123	17	-	140	102	106
Furniture, Fixtures	94	13	-	107	67	4	-	71	36	27
Vehicles	54	-	5	49	29	3	3	29	20	25
Total	42,884	176	5	43,055	20,169	2,227	3	22,393	20,662	22,715
Previous Year	42,416	489	21	42,884	17,867	2,313	11	20,169	22,715	
Capital Work-in-Progress									173	171

(Rs.in lac)

Particulars	As at 31st March 2012	As at 31st March 2011
-------------	--------------------------	--------------------------

11. LONG TERM LOANS AND ADVANCES

Unsecured and considered good unless otherwise stated		
Capital advances	19	38
Security Deposits	184	184
Income tax paid/deducted (Net of provisions)	74	57
Total	277	279

12. INVENTORIES

Raw Materials (Includes material in transit of Rs.449. lac, Previous Year Rs.nil)	1,632	1,691
Semi Finished Goods	5,129	3,748
Finished Goods	1,823	1,112
Stores and Spares (net of provision for obsolescence of Rs. 21 lac, Previous year Rs. Nil) (Includes Material in Transit of Rs.67 lac, Previous Year Rs.nil)	2,065	2,081
Total	10,649	8,632

13. TRADE RECEIVABLES

Unsecured considered good		
Outstanding for a period exceeding 6 months from the date they are due for payment	335	462
Others	10,932	10,580
	11,267	11,042
Considered Doubtful		
Outstanding for a period exceeding 6 months from the date they are due for payment	36	102
Others	-	-
	36	102
	11,303	11,144
Less: Provision for Doubtful Debts	36	102
Total	11,267	11,042

30TH ANNUAL REPORT 2011-12

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)		
Particulars	As at 31st March 2012	As at 31st March 2011
14. CASH AND BANK BALANCES		
Cash and Cash Equivalent		
Balances with Banks		
In Current Accounts	97	169
Cash on Hand	4	2
Other Bank Balances		
In Margin Deposit Accounts*	1,751	1,077
Total	<u>1,852</u>	<u>1,248</u>

* Balance with Margin money Accounts includes deposits of Rs.nil (Previous year Rs.150 lac) with maturity more than 12 months

15. SHORT TERM LOANS AND ADVANCES

Unsecured considered good unless otherwise stated

Security deposit	43	45
Balance with Statutory/Government Authorities	148	227
Advance to Vendors	521	850
Loans & advance to employees	12	22
Interest receivable on Margin Deposits	84	51
Prepaid expenses	122	29
Cenvat/Other claims receivable/recoverable	55	107
Total	<u>985</u>	<u>1,331</u>

(Rs.in lac)

Particulars	For the year ended 31st March 2012	For the year ended 31st March 2011
16. REVENUE FROM OPERATIONS		
Sales of Products – Gross	63,946	65,454
Less: Excise Duty	5,721	6,006
Sales of Products – Net	<u>58,225</u>	<u>59,448</u>
Particulars of Sale of Products		
Steel	48,248	51,105
Seamless Pipe	9,977	8,343
	<u>58,225</u>	<u>59,448</u>
Other Operative Revenues		
Export Incentives	75	46
Other Revenue	187	70
	<u>262</u>	<u>116</u>
Total	<u>58,487</u>	<u>59,564</u>

REMI METALS GUJARAT LIMITED

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	For the year ended 31st March 2012	For the year ended 31st March 2011
17. OTHER INCOME		
Interest from Bank & Others	216	96
Net gain on foreign currency transaction & translation	-	47
Miscellaneous Income	9	34
Total	<u>225</u>	<u>177</u>
18. COST OF RAW MATERIAL CONSUMED		
Cost of Raw Materials Consumed (Refer Note No. 31(a))		
Inventory at the beginning of the year	1,691	2,156
Add : Purchases	39,527	38,234
Less : Inventory at the end of the year	1,632	1,691
Total	<u>39,586</u>	<u>38,699</u>
Particulars of Raw Materials		
Metallic	31,828	30,091
Ferro Alloys	6,961	7,592
Others	797	1,016
Total	<u>39,586</u>	<u>38,699</u>
19. CHANGES IN INVENTORIES		
Inventories (at beginning)		
- Finished Goods	1,112	1,094
- Semi Finished Goods	3,748	4,196
	<u>4,860</u>	<u>5,290</u>
Inventories (at close)		
- Finished Goods	1,823	1,112
- Semi Finished Goods	5,129	3,748
	<u>6,952</u>	<u>4,860</u>
Net (Increase) / Decrease		
- Finished Goods	(711)	(18)
- Semi Finished Goods	(1,381)	448
Total	<u>(2,092)</u>	<u>430</u>
Particulars of Inventories		
Finished Goods		
Steel	1,640	996
Seamless Pipe	183	116
	<u>1,823</u>	<u>1,112</u>
Semi Finished Goods		
Steel	2,906	2,164
Seamless Pipe	2,223	1,584
	<u>5,129</u>	<u>3,748</u>

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Notes forming part of the Financial Statements (Contd.)

Particulars	(Rs.in lac)	
	For the year ended 31st March 2012	For the year ended 31st March 2011
20. EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowances and Benefits	2,477	2,405
Contribution to Provident and other Funds	171	184
Gratuity	65	56
Leave Encashment	28	38
Staff Welfare Expenses	75	76
Total	<u>2,816</u>	<u>2,759</u>
21. FINANCE COST		
Interest Expense	3,513	2,624
Other Borrowing Costs	507	281
Applicable loss on foreign currency transactions and translation	195	217
Total	<u>4,215</u>	<u>3,122</u>
22. OTHER EXPENSES		
Manufacturing and Other Expenses		
Stores and Spare Consumed (Refer Note No. 31(b))	3,653	3,932
Power and Fuel	10,015	9,383
Repairs to Buildings	75	88
Repairs to Plant & Machinery	699	815
Labour Charges	598	622
Job Work Charges	475	452
Insurance	68	56
Excise Duty on change in inventories	97	(1)
Lease Rentals and Hire Charges	114	135
Security charges	22	29
Safety Expenses	22	23
Vehicle Expenses	96	98
Communication expenses	34	37
Travelling and Conveyance	117	111
Rates and Taxes	22	34
Rent	117	67
Printing & Stationery	19	23
Listing Fees	4	1
Directors' Sitting Fees	1	1
Auditors' Remuneration		
- Audit Fess	9	9
- Certification Charges	1	1
Legal and Professional Fees and Expenses	122	198
Foreign Exchange Fluctuation Loss (Net)	338	-
Freight and Octroi	322	147
Discounts on Sales	521	1,308
Brokerage & Commission	5	2
Sales Promotion Expenses	5	29
Provision for doubtful debts	36	-
Loss on assets sold/scrapped (Net)	1	3
Miscellaneous Expenses	53	69
Total	<u>17,661</u>	<u>17,672</u>

REMI METALS GUJARAT LIMITED

Notes forming part of the Financial Statements (Contd.)

23. EARNING PER SHARE

(Rs.in lac)

Particulars	As at 31st March 2012	As at 31st March 2011
Net Profit / (Loss) (Rs. lac)	(5,701)	(5,254)
Number of equity shares outstanding during the year	108435840	108435840
Basic and Diluted earnings / (loss) per equity share of Rs.6/- each:		
- Before Exceptional Items	(5.26)	(4.85)
- After Exceptional Items	(5.26)	(4.85)

24. The balances of Trade receivables and Trade payables are subject to confirmation from the respective parties and consequential adjustments arising there from, if any. The management however does not expect any material variations on reconciliation.
25. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet, unless stated otherwise. The provision for all known liabilities is adequate and not in excess of the amount reasonably stated.

26. SEGMENT REPORTING

The Company operates in a single business segment i.e. manufacture of steel and steel products such as seamless tubes and rolled products and as such there are no primary and secondary segments as per the requirement of Accounting Standard (AS-17) on "Segment Reporting" as notified in the Companies (Accounting Standards) Rules 2006. The Company has no reportable geographical segment.

27. RELATED PARTY DISCLOSURE

As for Accounting Standard (AS – 18) 'Related Party Disclosures', notified in the Companies (Accounting Standards) Rules 2006, the disclosures of transactions with the related parties as defined in the Standard are given below:

Name of related party	Relationship
- Abhishek Mandawewala	Key Management Personnel
- Welspun Steel Limited	Enterprise having significant influence over the Company
- Wide Screen Holding Pvt Ltd	Enterprise having significant influence over the Company

Transactions with related parties

(Rs.in lac)

Particulars	Welspun Steel Ltd	Key Management Personnel
Transactions		
Purchase of Raw Materials	- (499)	
Reimbursement of Expenses	14(62)	
Remuneration		
Vijay Singh Bapna		- (16)
Abhishek Mandawewala		15 (13)
Outstanding		
Payable	- (434)	
(figures in bracket represent Previous year figures)		

30TH ANNUAL REPORT 2011-12

Notes forming part of the Financial Statements (Contd.)

28. DEFERRED TAX LIABILITY (Net)

(Rs. in lac)

Particulars	As at 31st March 2012	As at 31st March 2011
Deferred Tax Liability Related to Fixed Assets	2,915	3,258
Deferred Tax Asset		
Other Disallowances under Income Tax Act, 1961	91	104
Unabsorbed Depreciation/ Business Loss (Refer note below)	2,824	3,154
Net Deferred Tax Liability	-	-

Note:- In the absence of virtual certainty, Deferred Tax asset on account of unabsorbed depreciation and business loss has been recognized to the extent it can be realized against reversal of deferred tax liability.

29. EMPLOYEE BENEFITS

a) Defined Contribution Plan

The Company makes contributions at a specified percentage of payroll cost towards Employees Provident Fund (EPF) for qualifying employees.

The Company recognized Rs.171 lac (Previous year Rs.184 lac) for provident fund contributions in the Statement of Profit and Loss.

b) Defined Benefit Plans

Gratuity is payable to all eligible employees of the company on superannuation, death and resignation in terms of the provision of the payment of Gratuity Act. The present value of obligations is determined based on actuarial valuation using Projected Unit Credit Method, which recognized each period of service as given rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan and the amounts recognized in the company's financial statements as at 31st March, 2012:

(Rs.in lac)

Particulars	Gratuity Non Funded As at 31st March	
	2012	2011
Reconciliation of Present Value of Obligation (PVO) – defined benefit obligation		
PVO at the beginning of the year	131	94
Current Service Cost	32	18
Interest Cost	10	7
Actuarial (gain) / losses	23	31
Benefits paid	(28)	(19)
PVO at end of the year	168	131
Net cost for the year ended March 31,2011		
Current Service cost	32	18
Interest cost	10	7
Actuarial (gain) / losses	23	31
Net cost	65	56
Assumption used in accounting for the gratuity plan		
Discount rate (%)	7.75 % p.a.	7.75 % p.a.
Salary escalation rate (%)	5.00 % p.a.	5.00 % p.a.

REMI METALS GUJARAT LIMITED

Notes forming part of the Financial Statements (Contd.)

c) OTHER DISCLOSURES

	2011-12	2010-11	2009-10	2008-09	2007-08
Present value of defined benefit obligation	168	131	93	64	80
Fair value of plan assets	—	—	—	—	—
(Deficit)/ Surplus of the plan	(168)	(131)	(93)	(64)	(80)
Experience adjustments on plan liabilities [loss / (gain)]	-*	-*	-*	-*	-*
Experience adjustments on fair value of plan assets [(loss) / gain]	-*	-*	-*	-*	-*

* The details of experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on "Employee Benefits" are not available in the valuation report and hence, are not furnished.

d) Other Long Term Employee Benefits

The Leave encashment charge for the year ended 31st March, 2012, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting to Rs.28 lac (Previous year Rs.38 lac) has been recognized in the Statement of Profit and Loss.

30. FINANCIAL AND DERIVATIVE INSTRUMENTS

Particulars	INR equivalent (Rs.in lac)		USD equivalent (USD in lac)	
	As at 31st March			
	2012	2011	2012	2011
Foreign Currency Hedged				
Current Liabilities	247	-	5	-
Long Term Loan	2,150	3,748	44	78
Foreign Currency Unhedged				
Current Liabilities	3,733	426	73	10

31. ADDITIONAL INFORMATION

Pursuant to the provisions of paras 3 and 4 of Part II of Schedule VI to the Companies Act, 1956:

Sr. No.	Particulars	For the year ended 31st March			
		2012		2011	
		Amount (Rs.in lac)	(%)	Amount (Rs.in lac)	(%)
a)	Value of Raw Material Consumed				
	-Imported	7,316	18	2,640	7
	-Indigenous	32,270	82	36,059	93
	Total	39,586	100	38,699	100
b)	Value of Stores and Spares Consumed				
	- Imported	520	14	473	12
	- Indigenous	3,133	86	3,459	88
	Total	3,653	100	3,932	100

30TH ANNUAL REPORT 2011-12

Notes forming part of the Financial Statements (Contd.)

(Rs.in lac)

Particulars	For the year ended 31st March	
	2012	2011
c) Value of Imports on CIF Basis in respect of		
- Raw Materials	6,260	1,820
- Stores and Spares	962	931
d) Expenditure in Foreign Currency		
- Interest / Bank Charges	237	388
- Repairs to plant & Machinery	5	18
- Foreign Travel	12	19
e) Earnings in Foreign Exchange		
- FOB Value of Export	1,847	724
f) Contingent Liability	As at 31st March	
	2012	2011
Capital Commitments not provided for (net of advances)	23	92
Bank Guarantees	1,354	1,421
Bills Discounted	2,301	1,284
Service Tax	130	12
Excise Duty	34	34
Disputed Sales Tax Demands	44	28
Disputed Income Tax Demand	86	85
Claim against the Company not acknowledged as debts	73	4

32. Disclosures relating to amounts payable as at the yearend together with interest paid / payable to Micro, Small and Medium Enterprises have been made in the accounts, as required under Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) to the extent of information available with the Company determined on the basis of intimation received from suppliers regarding their status. The required disclosures are the information required under the said Act as given below

(Rs.in lac)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Principal amount remaining unpaid as on 31st March, 2011	-	95
Interest due thereon as on 31st March, 2012 (Rs.24212)	-	13
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay lay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at 31st March, 2011	-	2
Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

33. PREVIOUS YEAR'S FIGURES

The Revised Schedule VI has become effective from 1st April, 2011 for the preparation of Financial Statements. This has significantly impacted the disclosure and presentation made in the Financial Statements. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date
For CHATURVEDI & SHAH
Chartered Accountants

For and on behalf of the Board of Directors

Parag D Mehta
Partner
 Membership No. 113904

Abhishek Mandawewala **Rajesh Mandawewala**
Executive Director *Director*

Place : Mumbai
 Date : 13th July, 2012

Kaushik Kapasi
Company Secretary

REMI METALS GUJARAT LIMITED

Regd. Office: Plot No. 1, GIDC, Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat

DP. Id*	
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Master Folio	
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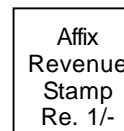
PROXY FORM

Client Id*	
------------	--

No. of Shares	
---------------	--

I/We.....resident/s of.....in the district of.....being a member/s of the above named Company hereby appoint Shri/Smt.....resident ofin the district ofor failing him, Shri/Smtresident of in the district ofas my/our proxy to vote for me/us and on my/our behalf at the 30th Annual General Meeting of the shareholders of the Company to be held on Friday, 21st September, 2012 at the Registered office of the Company at Plot No. 1, GIDC, Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat at 12.30 p.m.

Signed this.....day of.....2012.



Signature of Proxy

**Signature of first named/
Sole shareholder**

Note: The Proxy form duly signed across the stamp should reach the Company's Registered office at least 48 hours before the Meeting. Proxy need not be a member of the Company.

* Applicable for investors holding shares in electronic form only.

.....(TEAR HERE).....

REMI METALS GUJARAT LIMITED

Regd. Office: Plot No. 1, GIDC, Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat

DP. Id*	
---------	--

Master Folio	
--------------	--

ATTENDANCE SLIP

Client Id*	
------------	--

No. of Shares	
---------------	--

I hereby record my presence at the 30TH ANNUAL GENERAL MEETING of the Remi Metals Gujarat Ltd. at Regd Office: Plot No. 1, GIDC, Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat to be held on Friday, 21st September, 2012 at 12.30 p.m.

Signature of the Shareholder or Proxy_____.

Shareholders/Proxy holders are requested to bring the attendance slip with them, when they come to the Meeting and hand it over at the entrance after signing the same.

* Applicable for investors Holding shares in electronic form only.

BOOK - POST

If undelivered, please return to:

BIGSHARE SERVICES PVT. LTD.,

(Unit: REMI METALS GUJARAT LIMITED)

E-2/3, Ansa Industrial Estate, Saki Vihar Road,
Saki Naka, Andheri (E), Mumbai- 400 072.

Remi Metals Gujarat Limited

**30TH ANNUAL REPORT
2011 - 2012**

REMI METALS GUJARAT LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS	Shri Atul Desai	- Chairman
	Shri Abhishek Mandawewala	- Executive Director
	Shri R. R. Mandawewala	
	Shri Vijay Singh Bapna	
	Shri Rajendra C Saraf	
	Shri Rishabh Saraf	
	Shri Nirmal Gangwal	
	Shri Ramgopal Sharma	

COMPANY SECRETARY MR. K.N.KAPASI

AUDITORS M/S. Chaturvedi & Shah., Nariman Point, Mumbai – 400 021

BANKERS

Bank of Baroda
Lakshmi Vilas Bank
Andhra Bank
Federal Bank
Corporation Bank

REGISTERED OFFICE AND WORKS Plot No. 1, G.I.D.C Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, Gujarat.INDIA
Tel. :02645 - 619700, Fax : 02645 - 619800

LISTING OF SHARES THE BOMBAY STOCK EXCHANGE LTD, MUMBAI
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai 400 001.

Corporate Office B-9, Trade World, Kamala City,
S. B. Marg, Lower Parel,
Mumbai - 400013
Tel. : 022-66136000 / 24908000
Fax : 022-24908020
Website : www.remimetals.com

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