

# **Remi Metals Gujarat Limited**

**29<sup>TH</sup> ANNUAL REPORT  
2010 - 2011**

# REMI METALS GUJARAT LIMITED

## COMPANY INFORMATION

BOARD OF DIRECTORS	Shri Atul Desai	- Chairman
	Shri Abhishek Mandawewala	- Executive Director (w.e.f. 31.07.2010)
	Shri B K Goenka	
	Shri Murarilal Mittal	
	Shri Vijay Singh Bapna	- Executive director upto 31-07-2010
	Shri Rajendra C Saraf	
	Shri Rishabh Saraf	
	Shri Nirmal Gangwal	
	Shri Ramgopal Sharma	

COMPANY SECRETARY Shri Kaushik 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 Plot No, 1, G.I.D.C Industrial Estate,  
Valia Road, Jhagadia,  
Dist. Bharuch, Gujarat

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

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# REMI METALS GUJARAT LIMITED

## NOTICE

To,  
The Members

**NOTICE** is hereby given that the Twenty-Ninth Annual General Meeting of the Company will be held at its Registered Office at Plot No. 1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch, in the state of Gujarat on Thursday, the 29th September, 2011, 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 2011 and the Audited Profit and Loss Account for the year ended on that date.
2. To appoint a Director in place of Shri B.K.Goenka, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri R.G.Sharma, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Atul Desai, 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 Section 31 and all other applicable provisions, if any, of the Companies Act, 1956 (The Act), the Articles no. 157 of the Association of the Company be and is hereby altered as under:

The existing Article No. 157 of the Articles of Association of the Company be substituted by the following article:

“157 – Every deed or other instrument to which the seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney of the Company, be signed by any one of the directors, or company Secretary or any authorized person.”

Date: 30th May, 2011

By Order of the Board

**Kaushik N. Kapasi**  
Company Secretary

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 Friday, 9th September 2011 to Tuesday, 13th September, 2011(both days inclusive).
3. An explanatory statement relating to the items of special business at nos. 6 is herewith attached.
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.

### Explanatory Statement – Annexure to the Notice

#### Item No. 6

Present article 157 requires director to be present for affixation of Common Seal of the Company on any documents. It is therefore proposed to alter the articles in order to have flexibility in operation of the Company particularly in execution of documents.

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

Mumbai

Date: 30-5-2011

By Order of the Board

**Kaushik N. Kapasi**  
Company Secretary

### NOTES:

## 29TH ANNUAL REPORT 2010-11

### DIRECTORS' REPORT TO THE MEMBERS

The Directors present their 29th Annual Report together with Audited Accounts for the year ended 31st March, 2011.

### FINANCIAL RESULTS

(₹ in Lacs)

	Year ended 31-03-2011	Year ended 31-03-2010
Sales & Other Income	59741	37314
Profit / (Loss) before interest, depreciation and Miscellaneous Expenses written off	181	(553)
Interest and Financial Charges	3122	1494
Depreciation and Amortization	2313	1888
Profit / (Loss) before Exceptional Items	(5254)	(3935)
Exceptional Items	-	-
Profit/ (Loss) after Exceptional Items	(5254)	(3935)
Less : Fringe Benefit Tax	-	-
Profit/ (Loss) after Tax	(5254)	(3935)
Profit/ (Loss) brought forward from previous year	(8886)	(4951)
Balance carried to Balance Sheet	(14140)	(8886)

### OPERATIONS

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

Particulars	2010-11			2009-10		
	Production (Tones)	Sales (in Qty.)	Gross Sales (₹ in Lacs)	Production (Tones)	Sales (in Qty.)	Gross sales (₹ in Lac)
Steel	*109318	109524	56457	83742*	84076	36337
Seamless Pipes	12366	12303	9100	5772	5982	3936

\*Includes 7882 MT (Previous year 2972 MT) processed by third parties.

Steel input cost has gone up during the year and increased in input cost could not be passed on to customers. Further, competition in steel has increased specially from unit having blast furnace, this is resulted into increase in higher inventory/ higher receivables which led to increase in working capital interest cost. Contribution from steel division has, therefore been reduced due to reduce realization per MT.

The Company has developed new grades in steel division and also rejections in pipes have been reduced. The Company has booked first ever big order in Exports.

### DIRECTORS

Shri Balkrishan Goenka, Shri R.G. Sharma and Shri Atul Desai, the directors of the Company retire by rotation at 29th 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 29th 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: ₹ 3176 Lacs (₹ 6684 Lacs)  
Earning: ₹ 724 Lacs (₹ 42 Lacs)

### PARTICULARS OF EMPLOYEES

There were no employees covered under the purview of the Section 217 (2A) of the Companies Act, 1956 and the Rule framed thereunder.

### DIRECTORS' RESPONSIBILITY STATEMENT

- 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** **M. L. Mittal**  
Executive Director Director

Place: Mumbai  
Date: 30th May 2011

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**MANAGEMENT DISCUSSION & ANALYSIS****A) INDUSTRY STRUCTURE & DEVELOPMENT**

Increasing environmental concerns are leading to stricter regulatory enforcement, which has adversely impacted iron ore mining in India. Older mines are getting deeper and new mining licenses are not coming through due to regulatory and governance issues. As a result, growth in domestic iron ore production has been crippled during the last two years.

Global supply of iron ore are expected to remain tight for two years and supply of coking coal to remain tight for 4-5 years. Peak shortage of both iron ore and coking coal will restrict steel production growth. This is likely to put pressure on the margins of non-integrated steel producers dependent on imports for both raw materials.

Cost of coal started rising for sponge iron producers in FY09, as Coal India reduced linkages to the steel industry to meet demand from utilities. Coal linkages to steel producers have been cut to 50% now.

Rising demand in consumer and industrial sectors points to a stronger U.S economy. Steel demand in Europe, China, India, Russia, Brazil and Turkey is picking up.

India steel industry demand is set to rise further on growth in automobile, power, construction and infrastructure sector. India has a lower per capita consumption of steel compared to other leading nations and therefore there is tremendous room for further demand growth as the economy expands, additionally, housing demand and developments is expected to account for more steel consumption in the country. Besides, infrastructure accounts for the maximum steel consumption among the industry segments. Moreover, demand from other industries, such as process, and engineering are expected to grow in the coming years

Coal prices may soften in the coming months, bringing respite to steel, cement and power companies. A drop in global commodity prices and softening of crude oil coupled with a sluggish demand from Japan are likely to have a cooling effect on coal prices. Prices of coking coal is likely to come down as the situation has improved post-Australian floods. This will have an impact on the Indian prices as well. User industries like steel will benefit from this drop in price

The oil & gas industry has been the primary end user and the biggest demand driver for pipes historically, with water infrastructure development and industrial applications being the other large demand centers. Increasing oil and gas prices typically drive exploration Capex, in turn fuelling demand for drilling activity (seamless pipes) and for the transportation of resources from the oil well to the end consumer (HSAW and LSAW pipes).

Seamless pipes find application in the oil & gas and automotive sectors (popularly known as Oil Country Tubular Goods, OCTG), as well as in boilers and mechanical components such as hydraulic cylinders. Demand is highly correlated with crude oil prices since the oil & gas sector is the primary end user of seamless pipes. The rising oil prices encourage higher E&P Capex for drilling activity, driving demand for seamless pipes.

**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 concentrates 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****SALES**

Net turnover of the Company is of ₹ 595 Crores during the year ended 31st March 2011 as against ₹ 372 Crores during the year 31st March 2010.

**EBDITA**

Profits before exceptional items, depreciation & financial charges during the year ended 31st March 2011 was of ₹ 181 Lacs as compared to losses of ₹ 553 Lacs for the year ended 31st March 2010.

**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.

For and on behalf of the Board of Directors

**Abhishek Mandawewala**  
*Executive Director*

**M. L. Mittal**  
*Director*

Place: Mumbai  
Date: 30th May 2011

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**ANNEXURE  
FORM - A  
(SEE RULE 2)**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

		<b>Current Year 2010-11</b>	<b>Previous Year 2009-2010</b>
<b>A Power and fuel consumption</b>			
1	Electricity		
	(a) Purchased		
	Units (In '000S)	123662	95071
	Total Amount (Rs.in Lacs)	6815	5442
	Rate / Unit (Rs.)	5.51	5.72
	(b) Own Generation	Nil	Nil
2	Gas Used		
	Units (In '000S)	12628	10281
	Total Amount (Rs.in Lacs)	2033	1485
	Rate / Unit (Rs.)	16.10	14.44
3	Furnace Oil		
	Quantity (K.Ltrs.)	141	95
	Total amount (Rs.in Lacs)	34.31	24.29
	Average Rate (K.Ltrs.)	24398	25263
4	Others / Internal Generation	Nil	Nil
<b>B CONSUMPTION PER UNIT OF PRODUCTION</b>			
STANDARDS			
Products (With Details)			
	Steel (Production In MT)	109318	83742
	Pipe (Production In MT)	12366	5772
	Electricity/Steel Kwh	855	998
	Electricity/Pipe Kwh	1305	1176
	Steel Production/MT		
	Furnace Oil	-	Nil
	Natural Gas	86	76
	Pipe Production/MT		
	Gas	281	354
		522	

# REMI METALS GUJARAT LIMITED

## 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 2011 are given below:

Sr.No.	Name of Director	Category	No. of Shares Held	Attendance Particulars		Director-ship in other public limited companies	Committee Chairmanship/ membership
				Annual General Meeting	Board Meeting		
1	Mr. R. C. Saraf	P,NE,S	100501	No	5	4	4M
2	Mr. Rishabh R. Saraf	P,NE	Nil	No	3	1	-
3	Mr. B. K. Goenka	SI,NE	Nil	No	2	12	1C/5M
4	Mr. Abhishek Mandawewala	P, E	Nil	No	3	3	-
5	Mr. M. L. Mittal	NE	Nil	No	5	9	2M
6	Mr. Vijay Singh Bapna	NE	Nil	No	1	2	-
7	Mr. Atul Desai	I,NE,C	Nil	Yes	5	5	3C/5M
8	Mr. Nirmal Gangwal	I,NE	Nil	No	3	6	4M
9	Mr. R. G. Sharma	I,NE	Nil	No	4	4	1C/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 2010-11, the Board of Directors met five times on the following dates: -

21.05.2010, 31.07.2010, 30.10.2010, 14.02.2011 and 08.03.2011.

### 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 3 Non-Executive Directors as on 31.03.2011.

Mr. Atul Desai - Chairman (Independent)  
Mr. R. G. Sharma - Member (Independent)  
Mr. M. L. Mittal - Member

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.

Four meetings of Audit Committee of Board of Directors were held on 21.05.2010, 31.07.2010, 30.10.2010 and 14.02.2011.

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The details of Attendance of Members of audit committee are as follows:

Sr. No.	Name of the Member	Designation	Number of Meetings Attended (01/04/2010 to 31/03/2011)
1	Mr. Atul Desai	Chairman	4
2	Mr. M. L. Mittal	Member	4
3	Mr. R. G. Sharma	Member	4

### 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
Mr. R. G. Sharma	-	Member

During the year 2010-11, Remuneration Committee meeting was held on 31.07.2010 and the meeting was attended by Mr. Atul Desai, Mr. M. L. Mittal, and Mr. R. G. Sharma the members of the Committee.

#### 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. Vijay Singh Bapna and Mr. Abhishek Mandawewala are mentioned below:

(Amt. in Rs.)

Particulars	Shri. Vijay Singh Bapna (Executive Director upto 31.07.2010)	Shri. Abhishek Mandawewala (Executive Director w.e.f.04.09.2010)
Basic	623712	607926
HRA/ Rent Free Accommodation	249484	243166
Incentive	718869	0
Bonus/ Ex-gratia	0	50644
Other benefits	0	371074
Total	1592065*	1272810
notice period	3 months	3 months
service contract	Upto 31.07.2010	5 Years

\* This includes the amount of Rs. 3,33,576 pertaining to the financial year i.e. 2009-10

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/Remuneration Committee/Share transfer and Investors Grievance Committee for the year 2010-11
Mr. Atul Desai	Rs.52,000
Mr. Nirmal Gangwal	Rs.15,000
Mr. R. G. Sharma	Rs.47,000

### 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 (01/04/10 to 31/03/11)
1.	Shri. M.L.Mittal	Member	4
2.	Shri. Atul Desai	Chairman	4
3.	Shri. Ram Gopal Sharma	Member	4

- c) Four meeting of Share Transfer and Investors Grievance Committees were held on 30.06.2010, 09.07.2010, 26.11.2010 and 14.01.2011.
- d) Number of shareholders complaints/ requests received during the year:



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During the year under review, total 223 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	2
2	Non receipt of certificate against Indemnity/Name deletion/ Transmission	1
3	Non receipt of Demat credit	11
4	Non receipt of Demat rejection documents	4
5	Non receipt of dividend warrant	9
6	Non receipt of exchange share certificates	161
7	Non receipt of share certificate after transfer	15
8	SEBI	16
9	Stock Exchange	4
Total Complaints Recd		223

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 2011 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
29/12/2008	Annual General Meeting	Plot No. 1, GIDC Indl. Estate, Valia Road, Jhagadia, Dist.	12.30 P.M.	3
26/09/2009	Annual General Meeting	Plot No. 1, GIDC Indl. Estate, Valia Road, Jhagadia, Dist.	12.30 P.M.	4
30/03/2010	Extra Ordinary General Meeting	Plot No. 1, GIDC Indl. Estate, Valia Road, Jhagadia, Dist.	12.30 P.M.	1
04/09/2010	Annual General Meeting	Plot No. 1, GIDC Indl. Estate, Valia Road, Jhagadia, Dist.	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
29/12/2008	Plot No. 1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist. - Bharuch, Gujarat.	Three	(a) Alteration in Article 3 of the Articles of Association to give effect to the re-classification of share capital into Preference shares and equity shares.  (b) Reappointment of Mr. Shashank Chaturvedi as an Executive director on remuneration of Rs.46, 50,000 per annum for a period of one year with effect from 1-04-2008.  (c) Reappointment of Mr. L. S. Kshatriya as Technical director on remuneration of Rs.31, 60,000 per annum for the period from 1-04-2008 to 27-10-2008.
26/09/2009	Plot No.1,GIDC Industrial Estate, Valia Road, Jhagadia, Dist. Bharuch	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.

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30/03/2010	Plot No.1, GIDC Industrial Estate, Valia Road, Jhagadia, Dist.Bharuch	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	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.

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

### 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 6 of Section B of Notes to Accounts in Schedule 13. 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 Financial Controller (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. Shri B.K. Goenka is the Chief promoter of Welspun Group of Companies. He has considerable experience in the field of steel, infrastructure, Saw Pipes, Textile and related business activities. He is a Director in 12 other Public Limited companies.
  2. Shri. Atul Desai is a partner of M/s. Kanga & Co., leading Law firm. Mr. Atul Desai has attended large number of matters relating to merger, amalgamation, litigations, arbitration involving commercial dispute etc. He is a Director in 4 other Public Limited companies.
  3. Shri R G Sharma is a Commerce Graduate with a Master's Degree in Economics. He is also a Fellow of the Insurance Institute of India. He was Executive Director in Life Insurance Corporation of India. He was also Chief Executive of LICMF Asset Management Co. Ltd.

### G. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the audited financial results for the year ended 31-03-2010, unaudited financial results for quarter ended 30-06-2010, 30-09-2010 and 31-12-2010 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 - Thursday 29th September, 2011  
Financial year - from 1st April 2010 to 31st March 2011
- (ii) Date of Book Closure - Friday 9th September, 2011 to Tuesday 13th September, 2011 (both days inclusive)
- (iii) Dividend payment date - No dividend has been declared for the financial year 2010-11.
- (iv) Listing on Stock Exchanges and codes

The securities of the Company are listed on the Bombay Stock Exchange (Scrip code – 500365)

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- (v) Market Price Data- High-Low Quotations on Bombay Stock Exchange Limited, Mumbai during each month from April 1, 2010 to March 31, 2011 as follows:

Month	Market Price		Sensex	
	High Price	Low Price	High	Low
Apr-10	30.75	22.60	18047.86	17276.8
May-10	24.50	18.50	17536.86	15960.15
Jun-10	25.40	14.80	17919.62	16318.39
Jul-10	18.70	12.90	18237.56	17395.58
Aug-10	18.70	14.60	18475.27	17819.99
Sep-10	18.85	15.00	20267.98	18027.12
Oct-10	21.85	14.50	20854.55	19768.96
Nov-10	15.6	10.00	21108.64	18954.82
Dec-10	13.35	10.17	20552.03	19074.57
Jan-11	11.70	8.00	20664.8	18038.48
Feb-11	9.10	6.50	18690.97	17295.62
Mar-11	8.20	6.42	19575.16	17792.17

- (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: Shri Ashok Shetty, Vice President

- (vii) Distribution of shareholding of equity shares as on 31st March, 2011 is as follows: -

Shareholding of nominal value ₹	Total Holders		Amount	
	(in Nos.)	% of Total	in ₹	% of Total
1 - 5000	94195	98.08	18381336	2.83
5001 - 10000	911	0.95	6066114	0.93
10001 - 20000	461	0.48	6359634	0.98
20001 - 30000	178	0.19	4543716	0.70
30001 - 40000	70	0.07	2417388	0.37
40001 - 50000	38	0.04	1684728	0.26
50001 - 100000	102	0.11	6897108	1.06
100001 and above	85	0.08	604265016	92.87
Total :	96040	100.00	650615040	100.00

- (viii) 10,72,88,839 equity shares constituting 98.94% of the share capital are in demat form as on 31.03.2011.

- (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.

## 29TH ANNUAL REPORT 2010-11

### **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, 2011, 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 2011, the Registrar and Share Transfer Agents of the Company have certified that as at 31st March, 2011, 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**  
*Practicing Company Secretary*  
Membership No. 5087  
C.P No. 3410

Mumbai, 30 May 2011

## REMI METALS GUJARAT LIMITED

### AUDITOR'S REPORT

TO,  
THE MEMBERS' OF REMI METAL GUJARAT LIMITED

1. We have audited the attached Balance Sheet of Remi Metals Gujarat Limited as at March 31, 2011, the Profit and Loss Account 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 part B of Schedule 12. 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 Profit and Loss Account 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 Profit and Loss Account 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 of the Company as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the director of the Company is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - f) In our opinion and to the best of our information and according to the explanation given to us, the said financial statements together with the significant accounting policies and notes thereon give the information required by the Act, in the manner so required, and present 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, 2011;
    - ii) in the case of the Profit and Loss Account, 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: 30th May, 2011

## 29TH ANNUAL REPORT 2010-11

### 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, 2011

- 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/from 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.
- 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, 2011 for a period of more than six months from the date of becoming payable.

## REMI METALS GUJARAT LIMITED

- b) As at March 31, 2011, 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	1	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	12	2006-07 to 2007-08	Commissioner of Central Excise (Appeals)
Sales Tax Act	Value Added Tax	8	2006-07	Gujarat Value Added Tax Tribunal
Income Tax Act	Income Tax	85	2004-05	Commissioner of Income Tax (Appeals)

- 10) In our Opinion, the accumulated losses of the Company are more than fifty percent of it's net worth as at March 31, 2011, and the Company has incurred cash loss during the financial year and in the immediately preceding financial year.
- 11) In our opinion and 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. 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 investment during the year.
- 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: 30th May, 2011

## 29TH ANNUAL REPORT 2010-11

### BALANCE SHEET

		(Rs. in lac)	
	Schedule	AS AT 31.03.11	AS AT 31.03.10
<b>A. SOURCES OF FUNDS</b>			
<b>I Shareholders Fund</b>			
Share Capital	1	6,506	6,506
<b>II Loan Funds</b>			
Secured Loans	2	20,156	17,695
Unsecured Loans	3	17,379	16,640
TOTAL (A)		<u>44,041</u>	<u>40,841</u>
<b>B. APPLICATION OF FUNDS</b>			
<b>I Fixed Assets</b>			
i) Gross Block	4	42,884	42,416
Less :Depreciation		20,169	17,867
Net Block		<u>22,715</u>	<u>24,549</u>
ii) Capital Work in Progress		180	187
		<u>22,895</u>	<u>24,736</u>
<b>II Current Assets, Loans &amp; Advances</b>			
i) Inventories		8,632	9,562
ii) Sundry Debtors		11,042	8,540
iii) Cash & Bank Balances		1,248	1,802
v) Loans & Advances		1,359	1,496
		<u>22,281</u>	<u>21,400</u>
Less: Current Liabilities & Provisions	6		
i) Current Liabilities		15,070	14,014
ii) Provisions		205	167
		<u>15,275</u>	<u>14,181</u>
Net Current Assets		7,006	7,219
<b>III Balance in Profit &amp; Loss Account</b>			
		14,140	8,886
TOTAL (B)		<u>44,041</u>	<u>40,841</u>
Significant Accounting Policies & Notes to Accounts	12		

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

**Parag D Mehta**  
*Partner*  
 Membership No.113904

Place : Mumbai  
 Date : 30th May, 2011

For and On behalf of the Board of Directors

**Abhishek Mandawewala**    **M L Mittal**  
*Executive Director*                      *Director*

**Kaushik Kapasi**  
*Company Secretary*



## REMI METALS GUJARAT LIMITED

### PROFIT & LOSS ACCOUNT

(Rs. in lac)

	Schedule	For the Year 31.03.11	For the Year 31.03.10
<b>INCOME</b>			
Sales & Services		<b>65,557</b>	40,273
Less : Excise Duty		<b>6,015</b>	3,123
		<b>59,542</b>	37,150
Other Income	7	<b>199</b>	164
Increase / (Decrease) in Stock	8	<b>(430)</b>	724
<b>TOTAL</b>		<b>59,311</b>	38,038
<b>EXPENDITURE</b>			
Material Cost	9	<b>38,696</b>	23,128
Manufacturing & Other Expenses	10	<b>20,434</b>	15,463
Financial Charges	11	<b>3,122</b>	1,494
Depreciation		<b>2,313</b>	1,888
<b>TOTAL EXPENSES</b>		<b>64,565</b>	41,973
Profit / (Loss) before Exceptional Items & Tax		<b>(5,254)</b>	(3,935)
Exceptional Items		-	-
<b>Profit / (Loss) before Tax</b>		<b>(5,254)</b>	(3,935)
Less: Provision for Tax		-	-
<b>Profit / (Loss) after Tax for the year</b>		<b>(5,254)</b>	(3,935)
Less : Loss Carried from the Earlier Years		<b>(8,886)</b>	(4,951)
<b>Profit / (Loss) Carried to Balance Sheet</b>		<b>(14,140)</b>	(8,886)
Earning / (Loss) per share of Rs 6/- each			
Basic/ Diluted (Before Exceptional Items)		<b>(4.85)</b>	(6.72)
Basic / Diluted (After Exceptional Items)		<b>(4.85)</b>	(6.72)
Significant Accounting Policies & Notes to Accounts	12		

As per our report of even date

**For CHATURVEDI & SHAH**  
Chartered Accountants

**Parag D Mehta**  
Partner  
Membership No.113904

Place : Mumbai  
Date : 30th May, 2011

For and On behalf of the Board of Directors

**Abhishek Mandawewala**    **M L Mittal**  
Executive Director                      Director

**Kaushik Kapasi**  
Company Secretary

## 29TH ANNUAL REPORT 2010-11

### SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs. in lac)

	AS AT 31.03.11	AS AT 31.03.10
<b>SCHEDULE-1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
11,00,00,000 (11,00,00,000) Equity Shares of Rs. 6/- each	6,600	6,600
5,40,00,000 (5,40,00,000) Preference Shares of Rs. 10/- each	5,400	5,400
	<u>12,000</u>	<u>12,000</u>
<b>Issued, Subscribed &amp; Paid up Capital</b>		
108,435,840 (108,435,840) Equity Shares of Rs.6/- each fully paid up	6,506	6,506
<b>Total</b>	<u>6,506</u>	<u>6,506</u>
<b>SCHEDULE-2</b>		
<b>SECURED LOANS</b>		
Banks (Refer Note)		
1 Term Loans		
- In Indian Currency	8,700	9,800
Add :Interest Accrued and Due	74	112
- In Foreign Currency	3,748	2,492
2 Working Capital Loans		
- In Indian Currency	7,634	4,294
- In Foreign Currency	-	997
<b>Total</b>	<u>20,156</u>	<u>17,695</u>
<b>Note:</b>		
Term Loans are secured on pari passu basis, by way creation of:		
i. Equitable mortgage on fixed assets on first charge basis		
ii. Hypothecation of moveable machinery by way of first charge		
iii. Second charge on current assets namely stock and book debts		
Working Capital Loans are secured, on pari passu basis, by way of:		
i. First charge on current assets namely stock and book debts		
ii. And second charge on fixed assets		
<b>SCHEDULE-3</b>		
<b>UNSECURED LOANS</b>		
Sales Tax Deferment Loan	3,029	2,045
Electricity Duty Deferment	262	505
Interest Accrued/Deferred on Electricity Duty	3	5
Long Term Loan from Others	14,085	14,085
<b>Total</b>	<u>17,379</u>	<u>16,640</u>
Repayable within one year - Rs.262 lac(Previous Year - Rs.243 lac)		

# REMI METALS GUJARAT LIMITED

## SCHEDULE 4 : FIXED ASSETS

(Rs. in lac)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-04-2010	ADDITIONS	DEDUCTIONS	AS AT 31-03-2011	UP TO 01-04-2010	FOR THE YEAR	DEDUCTIONS	UPTO 31-03-2011	AS AT 31-03-2011	AS AT 31-03-2010
LEASE HOLD LAND	351	-	-	351	-	-	-	-	351	351
FREE HOLD LAND	41	-	-	41	-	-	-	-	41	41
PLANT & MACHINERY	30,328	391	-	30,719	13,951	1,867	-	15,818	14,901	16,377
ELECTRICAL INSTALLATION	1,997	-	-	1,997	1,222	95	-	1,317	680	775
BUILDING	9,346	53	-	9,399	2,490	325	-	2,815	6,584	6,856
OFFICE EQUIPMENT	195	34	-	229	106	17	-	123	106	89
FURNITURE & FIXTURE	83	11	-	94	63	4	-	67	27	20
VEHICLES	75	-	21	54	35	5	11	29	25	40
<b>Total</b>	<b>42,416</b>	<b>489</b>	<b>21</b>	<b>42,884</b>	<b>17,867</b>	<b>2,313</b>	<b>11</b>	<b>20,169</b>	<b>22,715</b>	<b>24,549</b>
PREVIOUS YEAR	33,384	9,052	20	42,416	15,980	1,888	1	17,867	24,549	17,404
CAPITAL WORK IN PROGRESS									180	187

Capital work in progress includes capital advances of Rs.9 lac (Previous Year - Rs.126 lac)

## SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs. in lac)

	AS AT 31.03.11	AS AT 31.03.10
<b>SCHEDULE-5</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>A Current Assets :</b>		
1 Inventories (Certified & valued By Management)		
i. Raw Materials	1,691	2,156
ii. Consumable Stores & Spares	2,081	2,116
iii. Finished Goods	1,112	1,095
iv. Work in Progress	3,748	4,195
<b>Total</b>	<b>8,632</b>	<b>9,562</b>
2 Sundry Debtors (Unsecured )		
Less than 6 months		
- Considered Good	10,550	8,143
More than 6 months		
- Considered Good	492	397
- Considered Doubtful	102	102
	<b>11,144</b>	<b>8,642</b>
Less : Provision for doubtful debts	102	102
	<b>11,042</b>	<b>8,540</b>
<b>Total</b>	<b>11,042</b>	<b>8,540</b>
3 Cash & Bank Balances		
i. Cash on Hand	2	1
ii. Balance With Scheduled Banks		
- In Current Accounts	169	760
- As Margin Money	1,077	1,041
<b>Total</b>	<b>1,248</b>	<b>1,802</b>
<b>B Loans &amp; Advances</b> (Unsecured, considered good except stated otherwise)		
i. Advances Recoverable in cash or in kind or for Value to be received	859	571
ii. Balance with Excise Authorities	213	370
iv. Security Deposits	230	513
v. Tax paid in advance (net of provision)	57	42
<b>Total</b>	<b>1,359</b>	<b>1,496</b>

## 29TH ANNUAL REPORT 2010-11

### SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs. in lac)

	AS AT 31.03.11	AS AT 31.03.10
<b>SCHEDULE-6</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
A Current Liabilities		
i) Sundry Creditors		
Micro and Small Enterprise (Refer Note 12 of Part B of Schedule 12)	95	58
Others	13,772	13,038
ii) Advance from Customers	54	46
iii) Other Liabilities	792	548
iv) Capital Goods Creditors	286	313
v) Book Overdraft	56	9
vi) Interest accrued but not due	15	2
<b>Total</b>	<b>15,070</b>	<b>14,014</b>
B Provisions		
i) Gratuity	131	93
ii) Leave Encashment	74	74
	<b>205</b>	<b>167</b>
<b>Total</b>	<b>15,275</b>	<b>14,181</b>

### SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

(Rs. in lac)

	AS AT 31.03.11	AS AT 31.03.10
<b>SCHEDULE - 7</b>		
<b>OTHER INCOME</b>		
Bank Interest & Other Interest	97	114
[(Tax deducted at source Rs. 14.61 lac) (Previous Year Rs.12.9 lac)]		
Export Incentives	46	-
Dividend Income	-	2
Miscellaneous Income	9	6
Exchange rate variation	47	41
Profit on discarded asset	-	1
<b>Total</b>	<b>199</b>	<b>164</b>
<b>SCHEDULE - 8</b>		
<b>INCREASE/(DECREASE) IN STOCK</b>		
Opening Stock of		
- Finished Goods	1,095	1,314
- Work in Process	4,195	3,252
	<b>5,290</b>	<b>4,566</b>
Less : Closing Stock		
- Finished Goods	1,112	1,095
- Work in Process	3,748	4,195
	<b>4,860</b>	<b>5,290</b>
Increase / (Decrease) in Stock	<b>(430)</b>	<b>724</b>

## REMI METALS GUJARAT LIMITED

### SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

(Rs. in lac)

	<b>AS AT</b>	<b>AS AT</b>
	<b>31.03.11</b>	<b>31.03.10</b>
<b>SCHEDULE - 9</b>		
<b>MATERIAL COST</b>		
Opening Stock	2,156	1,067
Add: Purchases During the Year	38,231	24,217
Less: Closing Stock	1,691	2,156
	<b>38,696</b>	<b>23,128</b>
<b>SCHEDULE - 10</b>		
<b>MANUFACTURING &amp; OTHER EXPENSES</b>		
Power & Fuel	9,383	7,291
Stores Consumed	3,932	3,611
Labour Charges	622	352
Job Work	452	400
Repairs & Maintenance - Building	88	40
- Plant & Machinery	794	120
- Others	21	15
Hire charges	135	107
Insurance Charges	56	72
Safety Expenses	23	16
Excise Duty	2	6
Security charges	29	24
Salaries , Wages & Other Benefits	2,405	1,648
Gratuity and Leave Encashment	94	96
Contribution to PF & Other Funds	184	141
Staff Welfare	76	45
Legal & Professional Fees	198	112
Travelling & Conveyance	111	49
Vehicles Expenses	98	99
Rent	67	25
Rates & Taxes	34	3
Printing & Stationery	23	18
Post & Telegram ,Telephone Expenses	37	27
Miscellaneous Expenses	98	50
Listing Fees	1	4
Director Sitting Fees	1	1
Auditors' Remuneration	10	8
Discount on Sales	1,308	552
Freight	147	512
Brokerage & Commission	2	19
Loss on sale of fixed asset	3	-
<b>Total</b>	<b>20,434</b>	<b>15,463</b>
<b>SCHEDULE - 11</b>		
<b>FINANCIAL CHARGES</b>		
Interest and Other Costs on:		
Fixed Loans	1,564	675
Others	1,332	534
Bank Charges	226	285
<b>Total</b>	<b>3,122</b>	<b>1,494</b>

## 29TH ANNUAL REPORT 2010-11

### SCHEDULE - 12

#### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

##### A SIGNIFICANT ACCOUNTING POLICIES

###### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounts 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.

###### 2. 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.

###### 3. 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.

###### 4. 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.

###### 5. 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.

###### 6. FOREIGN CURRENCY TRANSACTIONS

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 Profit and Loss account.

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 profit and loss account 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.

###### 7. 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. Export benefits are accounted on accrual basis.

###### 8. 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.

###### 9. EMPLOYEE BENEFITS

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

ii) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account 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 profit and loss account.

## REMI METALS GUJARAT LIMITED

### 10. 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 by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

### 11. 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 charged to Profit and Loss account.

### B NOTES TO ACCOUNTS

1. The Company has implemented the scheme of rehabilitation by raising long term funds and utilization thereof in the capital expenditure. During the year, working capital finance was also tied up. The Company has stabilized all the new equipments installed for debottlenecking of the facilities and accordingly the Company has recorded significant increase in production and sales.

The Company also made efforts to develop products for additional/new applications towards enriching its product mix and also approached a number of Original Equipment Manufacturers for product and process approvals.

The Management is hopeful of improved performance in the coming year. In view of the foregoing, the accounts have been prepared on a going concern basis despite the fact that the Company's accumulated losses exceed its net worth.

### 2. CAPITAL EXPENDITURE PLAN

The Company, as envisaged in the approved modified rehabilitation scheme, had undertaken capital expenditure programme. The programme involved acquisition of new machineries, balancing equipments, complete revamping and modernization of existing plant facilities.

- i) Pre-operative expenses (including net expenditure during trial run of Rs. Nil) of Rs. Nil during the year (previous year Rs.517 lac) in respect of assets capitalized during the previous year has been allocated to the direct cost of the respective assets.
- ii) The details of preoperative expenses are as:

Particulars	(Rs. in lac)	
	2010-11	2009-10
Opening Balance (A)	-	158
Salaries, Wages and Allowances	-	46
Hire Charges	-	48
Power, Fuel and Water Charges	-	17
Technical Consultancy fees	-	23
Interest on Term Loan	-	383
Sub Total (B)	-	675
Total (A+B)	-	675
Less : Amount allocated to assets capitalized during the year	-	675
Balance carried to Balance Sheet	-	-

3. The balances of Sundry Debtors and Sundry Creditors 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.
4. 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.

### 5. 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.

## 29TH ANNUAL REPORT 2010-11

### 6. 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
- Vijay Singh Bapna	Key Management Personnel (up to 31.07.2010)
- Abhishek Mandawewala	Key Management Personnel (w.e.f. 04.09.2010)
- Welspun Steel Limited	Associate Company
- Wide Screen Holding Pvt Ltd	Associate Company

#### Transactions with related parties

( Rs. in lac)

Particulars	Welspun Steel Ltd	Key Management Personnel
<b>Transactions</b>		
Purchase of Raw Materials	499	
Reimbursement of Expenses	62	
<b>Remuneration</b>		
Vijay Singh Bapna		16 (27)
Abhishek Mandawewala		13 (-)
<b>Outstanding</b>		
Payable	434 (1777)	

(figures in bracket represent previous year figures )

### 7. EARNING PER SHARE

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Net Profit / (Loss) (Rs. in lac)	(5,254)	(3,935)
Number of equity shares outstanding during the year	108435840	58572826
Basic and Diluted earning / (loss) per equity share of Rs.6/- each:		
- Before Exceptional Items	(4.85)	(6.72)
- After Exceptional Items	(4.85)	(6.72)

8. In terms of Accounting Standard 22 issued by ICAI, in respect of "Accounting of Taxes on Income" the company has computed deferred tax asset amounting to Rs.13405 lac (previous year Rs.12138 lac) on account of carried forward losses and disallowances and the deferred tax liability amounting to Rs.3258 lac (previous year Rs.3407 lac). The net deferred tax assets amounting to Rs.10147 lac (previous year Rs.8731 lac ) has not been recognized as a matter of prudence.

### 9. 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.184 lac (previous year Rs.141 lac) for provident fund contributions in the profit and loss account.

#### b) Defined Benefit Plans

Gratuity 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.



## REMI METALS GUJARAT LIMITED

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, 2011:

(Rs. in lac)

Sr.No	Particulars	Gratuity (Non-Funded)	
		As on 31.03.2011	As on 31.03.2010
I)	Reconciliation of Present Value of Obligation (PVO) – defined benefit obligation		
	PVO at the beginning of the year	94	64
	Current Service Cost	18	14
	Interest Cost	7	5
	Actuarial (gain) / losses	31	25
	Benefits paid	(19)	(15)
	PVO at end of the year	131	93
II)	Net cost for the year ended March 31,2011		
	Current Service cost	18	14
	Interest cost	7	5
	Actuarial (gain) / losses	31	25
	Net cost	56	44
III)	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.

c) Others disclosures

(Rs. in lac)

	2010-2011	2009-2010	2008-2009	2007-08
Present value of defined benefit obligation	131	93	64	80
Fair value of plan assets	—	—	—	—
(Deficit)/ Surplus of the plan	(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, 2011, based on actuarial valuation carried out using the Projected Accrued Benefit Method, amounting to Rs.38 lac (previous year Rs.52 lac) has been recognized in the Profit and Loss Account.

### 10. FINANCIAL AND DERIVATIVE INSTRUMENTS

The forward exchange to hedge the foreign currency exposure for payments to be made against foreign currency loan is Rs.3748.22 lac equivalent to USD 77.62 lac (previous year Rs 3488.73 lac equivalent to USD 77.70 lac).

The foreign currency exposure, that have not been hedged by any derivative instrument or otherwise, related to liabilities as on 31st March, 2011 is Rs.426.37 lac, equivalent to USD 9.28 lac, Euro 0.11 lac and CHF 0.11 lac (previous year Rs.383.79 lac equivalent to USD 8.44 lac and Euro 0.06 lac).

## 29TH ANNUAL REPORT 2010-11

### 11. ADDITIONAL INFORMATION

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

#### a) Directors' Remuneration

(Rs. in lac)

	Year ended 31.03.2011	Year ended 31.03.2010
Salary	12	14
House Rent Allowance	5	6
Other Benefits	12	7
	29	27

Since the Directors are not in receipt of commission, computation under section 349 of the Companies Act, 1956 has not been prepared.

#### b) Auditors' Remuneration

(Rs. in lac)

	Year ended 31.03.2011	Year ended 31.03.2010
Audit Fees	9	7
Certification Charges	1	1
	10	8

#### c) Quantitative Information

	Year ended 31.03.2011 Qty. (MT)	Year ended 31.03.2010 Qty. (MT)
i) Licensed Capacity	—*	—*
ii) Installed Capacity		
- Steel Bloom	150000	150000
- Rolled Products	100000	100000
- Seamless Pipes	70000	70000
iii) Production		
- Steel	109318**	83742**
-Seamless Pipes	12366	5772

\* Not applicable in terms of Government of India's Notification No.SO.477(E) dated 25th July 1991

\*\* Includes 7882 MT processed by third parties (previous year 2972 MT)

	Year ended 31.03.2011		Year ended 31.03.2010	
	Qty (MT)	Value (Rs. in lac)	Qty (MT)	Value (Rs. in lac)
iv) Consumption of Raw Material				
- Steel and Others	157808	38696	119590	23128
- Seamless Pipes / Tubes	-	-	-	-
Total	157808	38696	119590	23128
v) Sales and Services *				
- Seamless Pipes	12303	9100	5982	3936
- Steel	109524	56457	84076	36337
Total	121827	65557	91467	40273

\* Sales and Services includes 109 MT (previous year 273 MT) towards captive consumption amounting to Rs.39 lac (previous year Rs.141 lac)

## REMI METALS GUJARAT LIMITED

<b>vi) Opening Stock of Finished Goods</b>				
- Seamless Pipes	83	80	293	189
- Steel	2245	1015	2579	1125
Total	2328	1095	2872	1314
<b>vii) Closing Stock of Finished Goods</b>				
- Seamless Pipes	146	116	83	80
- Steel	2039	996	2245	1015
Total	2185	1112	2328	1095
<b>viii) Opening Stock of Work in Progress</b>				
- Seamless Pipes	1786	1507	2189	1704
- Steel	6185	2688	4034	1548
Total	7971	4195	6223	3252
<b>ix) Closing Stock of Work in Progress</b>				
- Seamless Pipes	2108	1273	1786	1507
- Steel	5925	2475	6185	2688
Total	8033	3748	7971	4195

	Year ended 31.03.2011 (Rs. in lac)	Year ended 31.03.2010 (Rs. in lac)
<b>x) Value of Imports on CIF Basis in respect of</b>		
- Raw Materials	1820	5838
- Stores and Spares	931	668
- Capital goods	-	175

**xi) Value of Raw Material Consumed**

	Value	%	Value	%
-Imported	2640	7	5254	23
-Indigenous	36056	93	17874	77
Total	38696	100	23128	100

(Rs. in lac)

	Year Ended 31.03.2011	Year Ended 31.03.2010
<b>xii) Value of Stores and Spares Consumed</b>		
- Imported	473	621
- Indigenous	3459	2990

<b>d) Expenditure in Foreign Currency (Rs. in lac)</b>		
- Interest / Bank Charges	388	3
- Repairs to plant & Machinery	18	-
- Foreign Travels	19	-
<b>e) Earnings in Foreign Exchange (Rs. in lac)</b>		
- FOB Value of Export	724	42

## 29TH ANNUAL REPORT 2010-11

### f) Contingent Liability

(Rs. in lac)

a)	Estimated amount of unexecuted contracts on capital account not provided for (net of advances)	92	283
b)	Bank Guarantees	1421	387
c)	Bills Discounted	1284	230
d)	Others	4	4
e)	Service Tax	12	-
f)	Excise Duty	34	-
g)	Disputed Sales Tax Demands	28	20
h)	Disputed Income Tax Demand	85	-

12. Disclosures relating to amounts payable as at the year end 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

Particulars	Year Ended March, 2011 Rs. In lac	Year Ended March, 2010 Rs. in lac
Principal amount remaining unpaid as on 31st March, 2011	94	58
Interest due thereon as on 31st March, 2011	13	2
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, 2010	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.	-	-

13. Previous year figures have been rearranged and regrouped, wherever necessary.

As per our report of even date

**For CHATURVEDI & SHAH**

*Chartered Accountants*

**Parag D Mehta**

*Partner*

Membership No. 113904

Place : Mumbai

Date : 30th May, 2011

For and on behalf of the Board of Directors

**Abhishek Mandawewala**

*Executive Director*

**M L Mittal**

*Director*

**Kaushik Kapasi**

*Company Secretary*

## REMI METALS GUJARAT LIMITED

### ANNEXURE

Additional information as required under Part IV of Schedule VI to the Companies Act, 1956.

(Balance Sheet abstract and Company's General Business Profile).

#### I Registration Details

Registration No.	:	20358	State Code	:	004
Balance Sheet Date	:	31-3-2011			

#### II Capital Raised during the year (Amount in Rs. Lac)

Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil

#### III Position of mobilisation and deployment of funds (Amount in Rs. Lac)

Total Liabilities	:	44,041	Total Assets	:	44,041
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##### Sources of Funds

Paid up capital	:	6,506
Secured Loan	:	20,156
Unsecured Loan	:	17,379
Accumulated Losses	:	14140

##### Application of Funds

Net Fixed Assets	:	22,895
Net Current Assets	:	7,006
Investments	:	Nil
Misc. Expenditure	:	Nil

#### IV Performance of Company (Amount in Rs. Lac)

Total Income	:	59,311	Total Expenditure	:	64,565
Profit / ( Loss ) Before Tax	:	(5,254)	Profit / ( Loss ) after tax	:	(5,254)
Basic Earning per share(In Rs.)	:	(4.85)	Dividend Rate (%)	:	Nil

#### V Generic Names of Three Principal Products / Services of Company (As per monetary Terms)

Product Description	:	Seamless Pipes
Item Code No.	:	730400
(ITC Code)		
Product Description	:	Other Alloy Steels
Item Code No.	:	722400
(ITC Code)		
Product Description	:	Non Alloy Steels
Item Code No.	:	720600
(ITC Code)		

For and on behalf of the Board of Directors

**Abhishek Mandawewala**    **M L Mittal**  
*Executive Director*                      *Director*

Place : Mumbai  
Date : 30th May, 2011

**Kaushik N. Kapasi**  
*Company Secretary*

## 29TH ANNUAL REPORT 2010-11

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Rs. in lac)

Particulars	2010-11	2009-10
<b>A) Cash Flow from Operational Activities</b>		
Net Profit / (Loss) before Tax & Extra-Ordinary items :	(5,254)	(3,935)
Adjustment for :		
Depreciation	2,313	1,888
Foreign Exchange Fluctuation	(47)	(41)
Financial Charges	3,122	1,494
Loss on Sale of Assets	3	-
Profit on Discarded Assets	-	(1)
Provision for Gratuity	56	44
Provision for Leave Encashment	38	52
Income from Dividend	-	(2)
	<b>5,485</b>	<b>3,434</b>
Operating Profit/(Loss) before Working Capital Changes	<b>231</b>	<b>(501)</b>
Changes in Working Capital :		
Decrease / (Increase) in Sundry Debtors	(2,502)	(3,715)
Decrease / (Increase) in Inventories	930	(2,057)
Increase/(Decrease)in Current Liabilities	1,061	3,208
Decrease / (Increase) in Loans & Advances	(288)	(194)
Decrease / (Increase) in other Current Assets	440	93
	<b>(359)</b>	<b>(2,665)</b>
Cash generated from / (used in) Operations	<b>(128)</b>	<b>(3166)</b>
Income Tax Paid (Net of refund)	<b>(15)</b>	<b>(3)</b>
Net Cash generated from / (used in) Operating Activities:	<b>(143)</b>	<b>(3169)</b>
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(509)	(4,039)
Proceeds from Sold/Discarded Asset	7	20
Purchase of Investments	-	(1,400)
Sale of Investments	-	1,400
Income from dividend	-	2
Net Cash generated from / (used in) Investing Activities:	<b>(502)</b>	<b>(4017)</b>
<b>C) Cash Flow from Financing Activities</b>		
Interest Paid	(3,056)	(1,406)
Proceeds /(Repayments) from Short Term Borrowings	2,343	126
Proceeds from Long Term Borrowings	3,147	26,823
Repayment of Long Term Borrowings	(2,343)	(16,978)
Net Cash generated from / (used in) Financing Activities:	<b>91</b>	<b>8,565</b>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	<b>(554)</b>	<b>1,379</b>
Cash and cash equivalents Opening Balance	<b>1,802</b>	<b>423</b>
Cash and cash equivalents Closing Balance	<b>1,248</b>	<b>1,802</b>
NET INCREASE/(DECREASE) AS DISCLOSED ABOVE .....	<b>(554)</b>	<b>1379</b>

Note : (1) All Figures in brackets are outflows.

(2) Previous year's figures have been regrouped wherever necessary to confirm current year's figures.

As per our report of even date

**For CHATURVEDI & SHAH**

Chartered Accountants

**Parag D Mehta**

Partner

Membership No.113904

Place : Mumbai

Date : 30th May, 2011

For and on behalf of the Board of Directors

**Abhishek Mandawewala**

Executive Director

**M L Mittal**

Director

**Kaushik Kapasi**

Company Secretary

## REMI METALS GUJARAT LIMITED

**Regd. Office:** 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 of .....in the district of .....or failing him, Shri/Smt .....resident of in the district of .....as my/our proxy to vote for me/us and on my/our behalf at the 29th Annual General Meeting of the shareholders of the Company to be held on Thursday, 29th September, 2011 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.....2011.

Affix Revenue Stamp Re. 1/-
--------------------------------------

\_\_\_\_\_  
**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:** 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 29TH 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 Thursday, 29th September, 2011 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.