



Board of Directors

Mr. V. Harlalka	Chairman
Mr. K. Kejriwal	Managing Director
Mrs. C. Kejriwal	Whole-time Director
Mr. Ming Ching Tan	Director
Mr. S. B. Parwal	Director
Mr. S. Agarwal	Director
Mr. V. K. Mahtani	Director
Mrs. Saroj N. Rao	Director
Mr. Sukhdeo Purohit	Company Secretary
Mr. Anil Kumar Agrawal	Chief Financial Officer
Kanu Doshi Associates Chartered Accountants	Auditors
State Bank of India	Bankers

Registered Office:

88-B, Govt. Indl. Estate, Kandivli (West), Mumbai-400067.

Works :

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

Registrar and Share Transfer Agents :

M/s. Sharex Dynamic (India) Private Limited

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



NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the Members of Remsons Industries Limited will be held at the registered office of the Company at 88-B, Government Industrial Estate, Kandivli (West), Mumbai – 400 067 on Thursday, the 25th August, 2011 at 4.00 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 Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. V. Harlalka who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. V. K. Mahtani who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration. M/s. Kanu Doshi Associates, Chartered Accountants, the retiring Auditors are eligible for reappointment.
5. To authorize the Board of Directors to appoint branch auditors for the Company's Gurgaon branch in consultation with the statutory auditors and to fix the branch auditor's remuneration. M/s. G.P. Agrawal & Co., Chartered Accountants, New Delhi, the retiring Branch Auditors are eligible for reappointment.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The proxy form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Particulars of Directors seeking re-appointment in respect of item nos. 2 and 3 pursuant to Clause 49 (VI) (A) of the Listing Agreements with the Stock Exchanges are given in the annexure to the report on Corporate Governance.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 17th August 2011 to Thursday, 25th August 2011 (both days inclusive).
5. Pursuant to provisions of Section 205A (5) of the Companies Act, 1956, dividend for the financial year ended 31st March 2004 which remains unpaid or unclaimed for a period of seven years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C of the Companies Act, 1956. The Company has already transferred the unclaimed dividend for the year ended 31st March 2003 to the IEPF.
6. Members attending the meeting are requested to bring their copies of the Annual Report, complete the attendance slip and deliver the same at the entrance of the meeting hall.

7. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
8. Members who hold shares in dematerialized form are requested to bring/ intimate their Client ID and DP ID numbers for easy identification at the time of attendance to the Annual General Meeting.
9. Members seeking any further information about the Accounts are requested to write to the Company at least ten days before the date of the Annual General Meeting.
10. 98.16% of the total equity shares of the Company were in dematerialized form as on 31st March 2011. Members

desiring to dematerialize/ rematerialize their shares must forward their request directly to the Depository Participant with whom they have opened the account and not to the Company.

By Order of the Board of directors
Sukhdeo Purohit
Company Secretary

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

Mumbai, May 27, 2011.

DIRECTORS' REPORT

To Shareholders,

Your Directors present their 39th Annual Report on the business and operations of the company and the Audited Accounts for the year ended 31st March 2011.

FINANCIAL RESULTS

	Rs. in Lacs	
	Year ended March 31, 2011	Year ended March 31, 2010
Sales & Other Income (Net)	9597.98	7061.22
Profit before interest, Depreciation, tax and extra ordinary items	663.57	600.72
Less : (i) Financial expenses	65.28	70.61
(ii) Depreciation	196.56	164.56
Profit / (Loss) before tax and extra ordinary items	401.73	365.55
Extra Ordinary Income (Expenses)	6.99	(8.11)
Profit / (Loss) before tax	408.72	357.44
Less : Tax-Provision:		
- Current Tax	83.25	68.00
- Deferred tax liabilities (Assets)	137.39	125.82
- Mat Credit Entitlement	(151.02)	---
Profit / (Loss) after tax	339.10	163.62
Add/ (Less): Excess (Short) tax provision of earlier years	1.02	3.47
Add: Balance b/f from last year	250.25	83.16
Amount available for appropriation:	590.37	250.25
Appropriation:		
Transfer to / from General Reserve	0.00	0.00
Amount carried to Balance Sheet	590.37	250.25

OPERATIONS:

Growth is the lifeblood of any company. During the year your company was able to achieve a growth of over 35% in the sales and other income of the company. Bearing in mind that your company is operating in one of the most cost competitive sectors – the automobile sector – your company was able to achieve a modest growth of approximately 10% in profit before interest, depreciation and tax.

DIVIDEND:

In order to plough back the funds towards necessary expansion and modernization, your Directors do not recommend any dividend.

EXPANSION

Continuous expansion of global automobile industries has resulted into the corresponding demand for the auto ancillaries. Your Company also continued its expansion program mainly at its various units in Daman, during the year under review. While a new Unit at Plot No 647/1A (Golden House) started operations from November 2010, modernization & expansion of another Unit at Plot No A2/3 & A2/4 (Diamond House) has also been completed and the Unit has become operational from the last quarter of the year. Modernization & Expansion program being carried out at Plot No A2/27 (Western House) is expected to be completed by the end of July and the Unit is expected to be fully operational from August 2011. The total capital expenditure for the expansions undertaken by the Company as above is estimated at around Rs. 720 lacs, which shall be partly met by a Term Loan from Bank (Rs. 400 lacs) and the balance (Rs. 320 lacs) from internal accruals.

EXPORTS

Company's Exports during the year were marginally better at Rs. 1047 lacs, as compared to Rs. 957 lacs in the previous year in rupee terms.

REMSONS (EUROPE), a Marketing set up in Europe is providing excellent Engineering Support to the OEM customers overseas. Mr. Geoffrey Hill, Director - Business Development and Mr. John Glover, Director – Engineering, being in the Automotive Cable and Gear Shift business since long are well versed with the overseas OEM Market and have been a good support to our export business.

Your Company endeavors its best to secure more and more export orders.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Members are aware that REMSONS has completed 50 years of its operations. All along during our 50 years' journey, it is our belief that as we move towards meeting our corporate goals in the interest of all our stake holders, Corporate Social Responsibility (CSR) must at the same time form an integral part of the Company's business philosophy. Therefore, as a part of the CSR initiative, the Company passed an Ordinary Resolution u/s 293 (1) (e) of the Companies Act, 1956 on January 21, 2011 through Postal Ballots authorizing its Board of Directors to contribute to charitable and other funds not directly relating to the business of the company or the welfare of its employees, such amount or amounts of which will not in any financial year, exceed Rs. 50,00,000/- (Rs. Fifty lacs only) or 5% of Company's average net profits as determined in accordance with the provisions of Section 349 & 350 of the Act during the three financial years immediately preceding, whichever is greater.

During the year the company made a contribution of Rs. 25,50,000 (Rupees Twenty Five Lacs Fifty Thousand only) to "Durgadevi Saraf Institute of Management Studies" run under the management of Rajasthani Sammelan Trust, as a part of the CSR initiative,

JOINT VENTURE

As reported last year, the Company's Joint Venture Agreement with M/s Orscheln Products LL.C., USA has been terminated with mutual consent and in accordance with the terms of the Joint Venture Agreement. Accordingly your company has sold its entire shareholding in the Joint Venture Company to the nominee of M/s Orscheln Products LL.C., USA.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Report on Management Discussion and Analysis, which is forming part of the Annual report, interalia adequately deals with the operations as also current and future outlook of the Company.

CORPORATE GOVERNANCE

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

FIXED DEPOSITS

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

LISTING

The Equity Shares of your company continue to be listed at the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Company has paid the requisite listing fee to the above stock exchanges for the financial year 2011-12.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis.

DIRECTORS

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



Particulars of the Directors seeking re-appointment at the ensuing Annual General Meeting is given in an Annexure to the Report on Corporate Governance.

AUDITORS

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

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

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

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

a) Conservation of Energy

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

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

b) Technology Absorption

- (i) The company has adopted the "Cell System" production, which has resulted in improved productivity and product quality in line with International Standards.

- (ii) The company follows "Six Sigma Practices" in the context of developing process technology in the manufacture of Automotive Cables.
- (iii) The Company's engineering centre at Gurgaon with modern Testing and Validation Equipments has facilitated undertaking various validation tests for the auto control cables produced by the Company. These validation tests include among others, Life test under different climatic conditions from sub-zero to High temperatures to guarantee uniform functioning. Based on various tests, the Engineering team regularly suggests design modifications of the cables to further enhance the efficiency and Life of cables.
- c) **Foreign Exchange Earnings and Outgo**
The information is contained in Notes forming part of accounts in Schedule "R".

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

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

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Mumbai
Dated: May 27, 2011

V.Harlalka
(Chairman)

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Annexure to the Directors Report

1. BUSINESS OVERVIEW

The Company is engaged in manufacture of Auto Control Cables and Gear Shifters. It is one of the major OEM suppliers to almost all the Automobile Manufacturing Companies in India like Tata Motors, Hero Honda, Maruti Suzuki, Mahindra & Mahindra, Piaggio, Ashok Leyland. The Company's products are well received in the global market too.

2. INDUSTRY STRUCTURE & DEVELOPMENTS

Growth in the automobile industry generates more demand for the auto components. Indian auto component sector is capable of producing internationally accepted quality of auto components, which is evident from the continuous outsourcing of their products by the worldwide automobile companies.

3. OPPORTUNITIES AND THREATS

Opportunities

Government spending on infrastructure and availability of new models of the auto products in the market should generate heavy demand for two-three wheelers, cars, jeeps, trucks and tractors resulting in to the corresponding demand for the products of the Company.

Outsourcing of Automotive Components from India by the global Automobile manufacturers should improve the business prospects of OEM suppliers like us.

The Company is continuously negotiating with the Global Auto Manufacturers and their subsidiaries in India and is hopeful to receive major orders from them.

Threats

Though the price of Steel Wires and other metals like zinc, aluminum have shown uptrend particularly in the latter half of the financial year under review, the continuous demand for the auto products is a healthy sign for the Industry in general and for the Company in particular.

Steel wire, being the major raw material for the Company's products, any substantial price rise in steel price is a threat to the Company.

Domestic Market has shown improvement during the year under review. Despite continuous price rise of the essential commodities, urban and rural savings were also better with increased purchasing power of the consumers owing to stability in employments and availability of consumer loans, though at higher rates.

4. RISK AND CONCERNS

Despite better demands for the Company's products, margins have been squeezed owing to the price rise of steel wire. The Company finds it difficult to pass on the increased cost to its customers by increasing the selling price of its products in view of the growing competition in the Automobile Market.

Crude oil and fuel prices have remain buoyant throughout the year. This would certainly have an adverse impact on the demand for automobiles and thereby the demand for the Company's products.

5. PRODUCT WISE BUSINESS REVIEW

Auto Control Cables / Speedometer Cables / Gear Shifters with Push Pull Cables.

During the year the Company produced 25.39 million auto control cables as against 19.68 million in the previous year.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

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



7. HUMAN RESOURCES MANAGEMENT.

Human Resource base is the greatest asset of the Company. The Company provides necessary training to all its employees and equips them to manage critical business processes to face the challenge of competitive Global market.

Cautionary Statement

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

CORPORATE GOVERNANCE REPORT

I. Company's Philosophy On Corporate Governance

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

II. Board Of Directors

As on 31st March 2011 the strength of the Board of Directors was eight, comprising of two Executive Directors and six Non-Executive Directors, five of which were independents.

During the Financial year 2010-11, six (6) Meetings of the Board of Directors were held on 27/05/2010, 30/07/2010, 28/10/2010, 23/11/2010, 29/01/2011 and 04/03/2011. The maximum time-gap between any two consecutive meetings did not exceed four months.

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

Composition and category :

Sr. No.	Name of Director	Designation	Category of Directorship	Relationship with other directors	Director in other Companies including Pvt Ltd cos.	No. of other Companies in which Member or Chairman of any Committee	No. of shares held as on 31 st March 2010
1.	Mr. V. Harlalka	Chairman	Promoter, Non-Executive	Relative of Mrs. C. Kejriwal and Mr. K.Kejriwal	0	0	0
2.	Mr. K. Kejriwal	Managing Director	Promoter, Executive	Relative of Mrs. C. Kejriwal, and Mr. V. Harlalka	0	0	1276374
3.	Mrs. C. Kejriwal	Whole-time Director	Promoter, Executive	Relative of Mr. K. Kejriwal and Mr. V. Harlalka	0	0	1160020
4.	Mr. Ming Ching Tan	Director	Independent, Non-Executive	--	0	0	0
5.	MR. S.B. Parwal	Director	Independent Non-Executive	--	1	0	157
6.	Mr. S. Agarwal	Director	Independent, Non-Executive	--	0	0	500
7.	Mr. V. K. Mahtani	Director	Independent, Non-Executive	--	0	0	0
8.	Mrs. Saroj N. Rao	Director	Independent, Non-Executive	--	0	0	50

Note :

Mr. S. B. Parwal ceased to be a Whole-time Director consequent upon his resignation on 31st July 2007. He continues to hold an office of a Non- executive Director since August 1, 2007. No Directors Remuneration except the sitting fees was paid to him during the year 2010-11. In view of the fact that since August 2007, he is not paid any remuneration except the sitting fees for attending Board meetings and he had not been an executive in preceding three years, he has been considered as an Independent Director w.e.f. April 1, 2011.

Number of Meetings attended by the Directors

Sr. No.	Name of Director	No. of Board Meetings attended out of six meetings held during 2010-11	Whether attended previous AGM held on 27th July 2010
1	Mr. V. Harlalka	6	Yes
2	Mr. K. Kejriwal	6	Yes
3	Mrs. C. Kejriwal	5	No
4	Mr. Ming Ching Tan	0	No
5	MR. S.B. Parwal	6	Yes
6	Mr. S. Agarwal	0	No
7	Mr. V. K. Mahtani	3	No
8	Mrs. Saroj N. Rao	5	No

Details / Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting is given in an Annexure to this Report.

1. Mr. V. K. Mahtani Chairman
2. Mr. V. Harlalka Member
3. Mrs. Saroj N. Rao Member

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

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

Tenure of Independent Directors on the Board of the Company has not extended beyond nine years, subject to their re-appointment on retirement by rotation as per statutory provisions.

With effect from April 1, 2011, the Audit Committee has been reconstituted as under:

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

III. COMMITTEES OF THE BOARD
A. Audit Committee:

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

(a) Composition:

The Audit Committee of the Board of Directors comprise of following Non –Executive / Independent Directors as on 31st March 2011:

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

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

(b) Meetings and Attendance:

During the year, six (6) meetings of the Members of the Audit Committee were held on 27/05/2010, 30/07/2010, 28/10/2010, 23/11/2010, 29/01/2011 AND 04/03/2011. Not more than four (4) months elapsed between two meetings.

Mr. V. K. Mahtani, then Chairman of the Committee attended three meetings out of six held during the year. He could not attend three meetings held on 23/11/2010, 29/01/2011 and 04/03/2011 on health grounds. Mr. V. Harlalka attended all the six meetings held during the year, though Mrs. Saroj N. Rao, then Member of the Committee could not attend one meeting held on 27/05/2010.

(c) Broad Terms of Reference:

The role of Audit Committee includes the following

- « To oversee the Company's financial information disclosure, review the adequacy of internal control systems.
- « Recommending the appointment and removal of external auditors, fixations of audit fees and also approval for payment for any other services.
- « Discussions with External Auditors before the audit commences; the nature and the scope of Audit as well as have post audit discussion.
- « Discussion with internal Auditors on any significant findings and follow up thereon.
- « Reviewing the finding of any internal investigations by the internal auditors in to matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- « To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit report.

- « To review the un-audited financial statements before submission to the Board.
- « Reviewing the Company's financial and risk management policies.

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

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

(d) Subsidiary Companies:

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

Consequent upon the termination of the Joint Venture Agreement, the Company sold its entire shareholding in Orschlen Remsons Technologies Private Limited (now known as Orschlen Technologies Private Limited), the joint venture Company to the nominee of the joint venture partner M/s Orscheln Products L.L.C. of Moberly, Missouri, US.

A) B. Remuneration Committee:

The Remuneration Committee of the Board of Directors comprise of following Directors as on 31st March 2011:

- | | |
|----------------------|----------|
| 1. Mrs. Saroj N. Rao | Chairman |
| 2. Mr. V. Harlalka | Member |
| 3. Mr. V. K. Mahtani | Member |

No meeting of the Remuneration Committee was held during the year.

With effect from April 1, 2011, the Remuneration Committee has been reconstituted as under:

1. Mrs. Saroj N. Rao	Chairman / Chairperson
2. Mr. V. K. Mahtani	Member
3. Mr. S. B. Parwal	Member

All the Members of the Remuneration Committee are Independent Directors.

The Remuneration Committee reviews the Company's policy on specific remuneration packages for Managing Director and Whole-time Directors and approves the managerial remuneration as per the policy.

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

While determining the remuneration consideration is given to:

Remuneration to Executive Directors :

Sr.No.	Name	Position	Salary & Perks (Rs.)
1.	Mr. K.Kejriwal	Managing Director	15,60,323
2.	Mrs. C. Kejriwal	Whole-time Director	10,22,595

Remuneration to Non-Executive Directors:

Sr.No.	Name	Position	Sitting Fees (Rs.)
1.	Mr. V. Harlalka	Chairman, Non Executive Director	15,000
2.	Mr. Ming Ching Tan	Independent Non Executive Director	-
3.	Mr. S. Agarwal	Independent Non Executive Director	-
4.	Mr. V. K. Mahtani	Independent Non-Executive Director	7,500
5.	Mr. S.B. Parwal	Independent Non-Executive Director	15,000
6.	Mrs. Saroj N. Rao	Independent Non-Executive Director	12,500

1. Managerial compensation survey done by leading management consultants.
2. Inflation element.
3. Critical job attributes.
4. Capacity of the Company to pay.
5. Remuneration practices of Companies of a size and standing, similar to the Company.

- The compensation is determined at the time of hiring.
- Personal attributes and suitability of the candidate for the post is given a preference.
- The growth of employee depends on individual performance.
- The performance is reviewed as per Performance Manual System. According to the Performance manual System, the goals are set for individual employee and are reviewed periodically.
- The performance of the Executive Directors is reviewed on a monthly basis as per Business Plan.

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

No commission is paid to any director.

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

Managerial Remuneration paid to Mr. K. Kejriwal, Managing Director and Mrs. C. Kejriwal, Whole-time Director of the Company had approval of the Remuneration Committee.

No Meeting of the Remuneration Committee was held during the year ended March 31, 2011.

C. Share Transfer & Shareholders/Investors Grievance Committee

The Committee consists of following Directors as on 31st March 2011:

- 1 Mr. V. Harlalka - Chairman
- 2 Mr. K. Kejriwal - Member
- 3 Mr. V. K. Mahtani - Member

With effect from April 1, 2011, the Share Transfer & Shareholders / Investors grievance Committee has also been reconstituted as under:

- 4 Mr. V. Harlalka - Chairman
- 5 Mr. K. Kejriwal - Member
- 6 Mr. S. B. Parwal - Member

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

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

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

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

During the year two (2) meetings of the Share Transfer & Shareholders'/ Investors Grievances Committee were held on 30th October 2010 and 30th March 2011.

The Company received no complaints from shareholders/ investors' during the year under review, as certified by M/S Sharex Dynamic (India) Pvt. Limited, RTA of the Company. There were no pending transfers or complaints with them as on 31.03.2011. Two complaints directly received by the Company during the year were resolved to the satisfaction of the shareholder.

IV. General Body Meetings:

i) General Meetings

(a) Annual General Meeting

Particulars of last three Annual General Meetings;

Financial Year	Date & Time	Venue
2007-2008	30th September 2008 at 4 p.m.	88-B, Govt. Industrial Estate, Kandivli (W), Mumbai – 400 067
2008-2009	30th September 2009 at 4 p.m.	88-B, Govt. Industrial Estate, Kandivli (W), Mumbai – 400 067
2009-2010	27th July 2010 at 4 p.m.	88-B, Govt. Industrial Estate, Kandivli (W), Mumbai – 400 067

II) Postal Ballot

No Special resolution was put through postal ballot at the last Annual General Meeting nor is any proposed for this year. The Company shall follow the procedure laid down in the Act as and when a resolution is put through postal ballot.

The Company, however passed an Ordinary Resolution u/s 293 (1) (e) of the Companies Act, 1956 on January 21, 2011 through Postal Ballots and followed the complete procedure laid down in Section 192A and other applicable provisions of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 Act.

III) Special Resolutions

No special resolutions were passed at the Annual General Meetings of the Company held on 30th September 2008, 30th September 2009 and 27th July 2010.

V. Disclosures:

Disclosures on materially significant related party transactions:

Related parties Disclosures are made in Note 16 of the Schedule 'R' to the accounts. According to the Board of Directors, there were no materially significant transactions with the related parties viz. Promoters, Directors or the Management, their subsidiaries or relatives, which may have potential conflict with the interest of the Company at large.

Code of Conduct

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

In compliance with the code, directors and senior management of the Company have affirmed compliance with the code for year ended on March 31, 2011. A declaration signed by the Managing Director / CEO to this effect is given at the end of this Report.

CEO / CFO Certification

In terms of Clause 49 (V) of the Listing Agreement, the Managing Director and the Chief Financial Officer have furnished the requisite certificate to the Board of Directors for the year under review and the same was placed at the meeting of the Board of Directors held on 27th May 2011.

Cases of Non-compliance / Penalties

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

VI. Means of Communication:

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

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

VII. General Shareholder Information:

A. Annual General Meeting

Date, Time & Venue

Date : 25.08.2011

Time : 4.00 p.m.

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

B. Financial Calendar:

Financial Year : 1st April 2011 to 31st March 2012:

Results for the Quarter ending 30th June 2011 :
Last week of July, 2011

Results for the Quarter ending 30th Sept. 2011 :
Last week of October, 2011

Results for the Quarter ending 31st Dec. 2011 :
Last week of January, 2012

Results for the Quarter ending 31st March 2012 :
Last week of April, 2012 or along
with the duly audited accounts
within prescribed time limit

C. Book Closure : From 17.08.2011 to 25.08.2011,
both days inclusive.

The Board of Directors has not recommended any
dividend on equity shares for the year ended
31st March 2011.

D. Listing on Stock Exchange(s):

The Equity Shares of the Company are listed at
Bombay Stock Exchange Limited (BSE) and National
Stock Exchange of India Limited (NSE). Listing fees
for the year 2011-12 have been paid to both of them.

E. Stock Code

Trading Symbol at:

a) Bombay Stock Exchange Limited
530919 REMSONS INDS

b) National Stock Exchange of India Ltd
REMSONSIND EQ

Demat ISIN Number in NSDL and CDSL
INE 474C01015

F. Market Price Data

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

Month 2010-2011	BSE		SENSEX		NSE		S & P CNX Nifty	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 10	30.50	22.90	18047.86	17276.80	24.50	22.30	5399.65	5160.90
May 10	30.00	22.00	17536.86	15960.15	28.75	23.00	5278.70	4786.45
June 10	24.50	23.10	17919.62	16318.39	24.30	22.00	5366.75	4961.05
July 10	31.80	24.95	18237.56	17395.58	30.45	22.30	5477.50	5225.60
Aug. 10	30.50	24.10	18475.27	17819.99	30.25	23.25	5549.80	5348.90
Sept. 10	26.40	22.90	20267.98	18027.12	26.25	22.10	6073.50	5403.05
Oct. 10	27.95	23.55	20854.55	19768.96	27.65	22.35	6284.10	5937.10
Nov. 10	30.50	21.10	21108.64	18954.82	28.60	21.00	6338.50	5690.35
Dec.10	25.90	20.00	20552.03	19074.57	25.40	17.05	6147.30	5721.15
Jan. 11	26.75	19.40	20664.80	18038.48	25.60	20.30	6181.05	5416.65
Feb.11	25.45	18.60	18690.97	17295.62	25.30	18.00	5599.25	5177.70
March11	21.90	16.05	19575.16	17792.17	21.75	16.20	5872.00	5348.20

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

G. Share Transfer Agents:

M/s. Sharex Dynamic (India) Private Limited
 Unit 1, Luthra Industrial Premises,
 Andheri Kurla Road, Safed Pool,
 Mumbai - 400 072.
 Tel -: 022-28515606, 28515644, Fax -: 022-22641349
 E-Mail :- sharexindia@vsnl.com

H. Share Transfer System:

Registrar and Transfer Agents (RTA) are authorized to process the application of transfer of shares in physical mode or in Electronic form. The RTA approves and disposes of all valid requests for dematerialization of shares within stipulated time. RTA also makes proper scrutiny of each application for transfer or transmission of physical shares and forwards all valid transfer deeds to the Company for approval. For speedy disposal of the matters, the Board has authorized Mr. Sukhdeo Purohit, Company Secretary to approve all valid share transfer / transmission applications, duly processed by RTA. The share certificates are transferred, dematerialized or returned within the time prescribed by the authorities. In case of objections, the share certificates along with the transfer deeds are returned within two weeks. A practicing Company Secretary periodically issues certificates under Clause 47(C) of the Listing Agreement. A Practicing Company Secretary also conducts Secretarial Audit periodically and his Secretarial Audit Report showing total shareholding in physical and electronic mode is filed every quarter with the stock exchanges.

C. Distribution of Shareholding

The Distribution Schedule on equity shares as on 31st March 2011 is given below:

Shareholding From	Range(s) To	Holders Number	%	Total Shares Held Number	%
1	100	699	50.62	50080	0.88
101	200	217	15.71	40875	0.72
201	500	248	17.96	97508	1.71
501	1000	91	6.59	74072	1.30
1001	5000	88	6.37	195543	3.42
5001	10000	18	1.30	130155	2.28
10001	100000	13	0.94	401402	7.03
100001	& above	7	0.51	4723722	82.68
Total		1381	100.00	5713357	100.00

2. Shareholding Pattern as on 31st March 2011

Category	No. of shares held	% of shareholding
A. Promoters' holding		
1. Promoters		
Indian Promoters		
Individuals, HUF	4166661	72.928
Bodies Corporates	118357	2.072
-Foreign Promoters	--	--
Sub-Total (A)	4285018	75.000
B Non-Promoters' Holding		
1 Institutional Investors		
Mutual Funds, UTI, FII	--	--
Banks, Financial Institutions, Insurance Companies	100	0.002
Venture Capital Fund	500	0.009
2 Others		
Private Corporate Bodies	595053	10.415
Indian Public	825778	14.453
NRI / OCBs	6350	0.111
Any Other – Clearing Members	558	0.010
Sub-Total (B1+ B2)	1428339	25.000
Grand Total	5713357	100.000

Note:

- (1) 258215 equity shares allotted to one of the promoters pursuant to the Scheme of Amalgamation and which were subject to lock in for three years from the date of allotment are now freely tradable w. e. f. January 1, 2011.
- (2) None of the promoters have pledged their shares with any Bank or financial institution. The Company has been regularly filing quarterly returns with stock exchanges in the prescribed format pursuant to regulation 8A(4) of Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997.

J. Dematerialization of shares:

93.78% (53,57,869 Shares) of total equity is held in dematerialized form with NSDL and 4.38% (2,50,371 Shares) of total equity is held in dematerialized form with CDSL as on 31-03-2011.

K. Outstanding GDRs / ADRs / Warrants / Options:

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

L. Plant Locations:

- a. 1/3 Mile Stone, Khandsa Road, **Gurgaon** – 122001
- b. ‘**Western House**’ A2/27, Somnath Industrial Estate, **Daman**-396210 – (Daman Unit No. 1)
- c. ‘**Diamond House**’ A2/4, Somnath Industrial Estate, **Daman**-396210 – (Daman Unit No. 2)
- d. ‘**Goodluck House**’, Survey No. 729 /1, Ringanwada, Village Dabhel, **Daman** – (Daman Unit No. 3)
- e. ‘**Golden House**’ Survey No. 647 /1A at Village – Dunetha, **Daman**
- f. Survey No. 146, Vilige Khadki, **Pardi** – 396121

M. Investor Correspondence address:

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

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

(ii) For Annual Report and other queries :

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

N. Non Mandatory Requirements:

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

1. Chairman’s Office:

The Company maintains Office of the Chairman at its Registered Office at 88-B, Kandivli Industrial Estate, Kandivli (West), Mumbai – 400 067.

2. Remuneration Committee:

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

3. Shareholders Rights:

The quarterly financial results of the Company are published in the newspapers and also displayed on the website of the Company. These results are not separately circulated to the shareholders.

4. Postal Ballot:

The Company passed an Ordinary Resolution u/s 293 (1) (e) of the Companies Act, 1956 on January 21, 2011 through Postal Ballots and followed the complete procedure laid down in Section 192A and other applicable provisions of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001 Act.

5. Whistle Blower Policy

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

Declaration on Code of Conduct:

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

In accordance with Clause 49 I (D) of the Listing Agreement with the stock exchanges, I hereby confirm that all the Directors and the senior management personnel of the Company have affirmed compliance with the aforesaid code of conduct as applicable to them for the financial year ended on March 31, 2011.

For **Remsons Industries Limited**

Place: Mumbai
Date: May 27, 2011

K. Kejriwal
Managing Director



**ANNEXURE TO THE REPORT ON CORPORATE GOVERNANCE
PARTICULARS OF THE DIRECTORS SEEKING REAPPOINTMENT AT THE FOTRHCOMING
ANNUAL GENERAL MEETING TO BE HELD ON 25TH AUGUST 2011**

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

Name of Director	Mr. V.K. Mahtani	Mr. V. Harlalka
Date of Birth	18.10.1933	01. 04. 1931
Date of Appointment	27.03.2003	04. 02. 1984
Expertise in Specific Functional areas.	Manufacturers of PVC Cables since last 48 years	Expertise in the Manufacturing, Marketing and Organizing Business and Industry.
Qualifications	B.com from St. Joseph College of Yokohama, Japan	Inter (Science) from University of Calcutta.
Directorships held in other Companies (Excluding Foreign Companies)	None	None
Chairman / Member of the Committees of the Board of Directors of the Company.	1. Member – Audit Committee 2. Member- Remuneration Committee	1. Chairman - Share Transfer & Shareholders'/Investors' Grievance Committee 2. Member- Audit Committee
Chairman / Member of the Committee of the Board of Directors of other Companies in which he is Director.	None	None

AUDITORS' CERTIFICATE ON COMPLIANCE OF THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT (S)

To the Members of
Remsons Industries Limited

We have examined the compliance of conditions of Corporate Governance by Remsons Industries Limited (the Company) for the year-ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreements entered in to with the stock Exchanges in India.

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

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

We state that no investor grievances as at March 31, 2011 are pending for a period exceeding one month against the Company as per the records maintained by the Share Registrar & reviewed by the Shareholder / Investors Grievance Committee.

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

For **KANU DOSHI ASSOCIATES**

Chartered Accountants

Place: Mumbai
Date: 27th May, 2011

ANKIT PAREKH
Partner
Membership No.114622



AUDITOR'S REPORT

**To the Members of
REMSONS INDUSTRIES LIMITED**

1. We have audited the attached Balance sheet of Remsons Industries Limited as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, 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 the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, and according to the information and explanations given to us during the course of the audit and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) The Branch Auditors' report of the Gurgaon branch has been forwarded to us and the same has been appropriately dealt with in the preparation of this report;
 - f) On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors of the Company are 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;
 - g) In our opinion and to the best of our information, and according to the explanations given to us, the said accounts read with the Significant Accounting Policies and the notes thereon 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 case of the Balance sheet, of the state of affairs of the Company as at March 31, 2011;
 - ii) in case of the Profit and Loss Account, of the profit for the year ended on that date and
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

Place: Mumbai
Date: May 27, 2011

ANKIT PAREKH
Partner
Membership No.114622

**ANNEXURE TO THE AUDITORS' REPORT
(Referred to in Paragraph 3 of our report of even date
on the accounts of REMSONS INDUSTRIES
LIMITED for the year ended March 31, 2011)**

- i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The company has not disposed off a substantial part of fixed assets during the year.
- ii) (a) We are informed that the physical verification of inventories has been conducted by the management at reasonable intervals except for stock-in-transit and materials lying with third parties.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. The discrepancies noticed during the physical verification of stocks as compared to the book records were not material and the same have been properly dealt with in the books of account.
- iii) (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties

covered in the register maintained under Section 301 of the Companies Act, 1956 and accordingly the sub-clauses (b), (c) and (d) of clause (iii) are not applicable to the company.

- (b) The company has taken interest free unsecured loans from directors and other parties covered in the register maintained under Section 301 of the Companies Act, 1956, the details of which are given below

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

- (c) In our opinion, the rate of interest of these loans taken by the Company is not, prima facie, prejudicial to the interest of the Company. However, in the absence of any stipulations in respect of other terms and conditions of these loans, we are unable to comment in respect thereof.
- (d) In the absence of stipulations in respect of the terms of payment of principal amount of the aforesaid loans, we are unable to comment whether payment of principal is regular.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.



- v) (a) According to the information and explanations given to us, we are of the opinion that transactions that need to be entered in the register required to be maintained under section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- vi) The Company has not accepted any deposits from the public within the meaning of the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules made there under. Hence, clause (vi) of the order is not applicable.
- vii) The internal audit functions of the company have been carried out during the year by a firm of Chartered Accountants appointed by the management and the same is commensurate with the size of the Company and nature of its business.
- viii) The Central Government has prescribed under Section 209(1) (d) of the Companies Act, 1956 maintenance of cost record for auto ancillary products. As per the certificate issued by the Cost Accountant, the company has maintained the prescribed accounts and records. However, we have not examined the records to determine whether they are accurate or complete.
- ix) (a) According to the information and explanations given to us and on the basis of records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2011 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, details of dues of sales tax, income tax, customs duty, wealth tax, excise duty, service tax and cess which have not been deposited as on March 31, 2011 on account of any disputes are given below:

Name of the statute	Nature of dues	Amount (Rs.)	Forum where the dispute is pending
Central Excise Act, 1944	Service Tax (Aug 2002 to April 2003)	52,687/-	Central Excise and Service Tax Appellate Tribunal, Mumbai.
Central Excise Act, 1944	Excise Duty (from October'00 to May'01)	948,509/-	Central Excise and Service Tax Appellate Tribunal, Mumbai.

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

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

Place: Mumbai
Date: May 27, 2011

ANKIT PAREKH
Partner
Membership No.114622



AUDITED BALANCE SHEET AS AT 31st MARCH, 2011.

	Schedule	As at 31.3.2011 Rs	As at 31.3.2010 Rs.
SOURCES OF FUNDS			
SHAREHOLDERS FUNDS:			
Share Capital	A	57,133,570	57,133,570
Reserves and Surplus	B	<u>60,661,626</u>	<u>26,649,578</u>
		117,795,196	83,783,148
LOAN FUNDS			
Secured Loans	C	132,913,382	87,309,238
Unsecured Loans	D	<u>83,891,367</u>	<u>83,891,367</u>
		216,804,749	171,200,605
DEFERRED TAX LIABILITIES (NET)			
(See Note 2 of Schedule 'R')		<u>14,561,223</u>	<u>822,269</u>
		<u>349,161,168</u>	<u>255,806,022</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	E	347,276,134	307,365,453
Less: Depreciation/ Amortisation		<u>183,549,455</u>	<u>167,920,032</u>
Net Block		163,726,679	139,445,421
Capital Work in Progress		<u>33,027,196</u>	<u>903,548</u>
(See Note 8 of Schedule 'R')		196,753,875	140,348,969
INVESTMENTS			
	F	226,262	1,999,918
CURRENT ASSETS, LOANS AND ADVANCES			
(a) Inventories	G	124,488,258	76,146,935
(b) Sundry Debtors		183,095,161	133,437,433
(c) Cash and Bank Balances		2,984,039	2,538,843
(d) Loans & advances	H	<u>33,821,820</u>	<u>17,304,403</u>
		344,389,278	229,427,614
Less : Current Liabilities and provisions :	I		
(a) Liabilities		185,457,123	110,908,359
(a) Provisions		<u>6,751,124</u>	<u>5,062,120</u>
		192,208,247	115,970,479
Net Current Assets		<u>152,181,031</u>	<u>113,457,135</u>
		<u>349,161,168</u>	<u>255,806,022</u>
Significant accounting policies notes forming integral part of the Balance Sheet.	Q R		

As per our report of even date

For and on behalf of the Board

For Kanu Doshi Associates

Chartered Accountants

Firm Reg. No. 104746W

Ankit Parekh

Partner

Mem. No. 114622

Place : Mumbai

Dated : 27th May, 2011

V.Harlalka

K.Kejriwal

Sukhdeo Purohit

Anil Kumar Agrawal

Chairman

Managing Director

Company Secretary

Chief Financial Officer

AUDITED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

	Schedule	2010-11 Rs.	2009-10 Rs.
INCOME			
Sales	J	1,035,950,056	739,861,131
Less : Excise Duty (See Note 18 of Schedule 'R')		88,762,930	49,531,301
Net Sales		947,187,126	690,329,830
Other Income	K	12,610,785	15,792,069
		959,797,911	706,121,899
EXPENDITURE			
Manufacturing Expenses	L	665,666,426	465,056,655
Decrease / (Increase) in Stock	M	(15,237,279)	(4,963,761)
Employees' Cost	N	117,400,225	84,338,047
Administrative, Selling & Other Expenses	O	125,611,081	101,619,665
Financial Expenses	P	6,528,428	7,060,707
Depreciation/ Amortisation (See Note 12 of Schedule 'R')	E	19,655,659	16,455,940
		919,624,540	669,567,253
Profit before Extra ordinary items & Tax		40,173,371	36,554,646
<u>Extra ordinary items</u>			
Prior Period Expenses		-	78,805
Provision for Doubtful Debts		(698,585)	732,204
Profit after Extra ordinary items		40,871,956	35,743,637
Provision for Taxation			
Less - Corporate Tax		8,325,000	6,800,000
Add - MAT Credit Entitlement		15,102,490	-
Less - Deferred Tax Liabilities (Assets)		13,738,954	12,582,323
(See Note 2 of Schedule 'R')			
Add:Short / (Excess) provision for Income Tax of earlier years		(101,556)	(347,272)
Profit after Tax		34,012,048	16,708,586
Add: Balance brought forward from last year		25,024,573	8,315,987
Funds available for Appropriation		59,036,621	25,024,573
		59,036,621	25,024,573
Basic and diluted Earning Per Share, including extra ordinary items. (See Note 4 of Schedule 'R')		5.95	2.92
Basic and diluted Earning Per Share, including extra ordinary items. (See Note 4 of Schedule 'R')		5.95	2.92
Significant accounting policies	Q		
notes forming integral part of the Profit & Loss Account.	R		

As per our report of even date

For and on behalf of the Board

For Kanu Doshi Associates

Chartered Accountants

Firm Reg. No. 104746W

V.Harlalka

Chairman

Ankit Parekh**K.Kejriwal**

Managing Director

Partner

Mem. No. 114622

Sukhdeo Purohit

Company Secretary

Place : Mumbai

Dated : 27th May, 2011

Anil Kumar Agrawal

Chief Financial Officer



SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As at 31.3.2011 Rs.	As at 31.3.2010 Rs.
<u>SCHEDULE 'A'</u>		
<u>SHARE CAPITAL</u>		
Authorised - 12,000,000 (Previous year 12,000,000) Equity Shares of Rs.10/- Each.	120,000,000	120,000,000
Issued,Subscribed and fully Paid- up 57,13,357 (Previous year 57,13,357) Equity Shares of Rs.10/- each.	57,133,570	57,133,570

Note : 1. Paid up Capital includes 4,810,000 (previous year 4,810,000) Shares allotted as fully Paid Bonus shares by Capitalisation from General & Revaluation Reserve.

2. Paid up Capital includes 6,53,357 (previous year 6,53,357) Shares allotted as fully Paid after considering 3,79,500 shares (previous year 3,79,500) cancelled pursuant to the Scheme of Amalgamation.

SCHEDULE 'B'
RESERVES AND SURPLUS

1. Capital Reserve Cash Capital Subsidy	335,805	335,805
2. State Capital Subsidy	1,289,200	1,289,200
3. Surplus in Profit & Loss Account	59,036,621	25,024,573
	60,661,626	26,649,578

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As at 31.3.2011 Rs.	As at 31.3.2010 Rs.
<u>SCHEDULE 'C'</u>		
<u>SECURED LOANS</u>		
<u>LOANS FROM BANKS</u>		
Cash Credits from Bank	27,579,154	40,407,025
Term Loan	32,199,037	---
Foreign Currency working capital Loan	70,075,919	45,580,000
Loan Against Vehicles	3,059,272	1,322,213
	<u>132,913,382</u>	<u>87,309,238</u>
A.	Secured Loans comprising of cash credits, Term Loan & Foreign Currency working capital loan from Banks are secured against the Hypothecation of entire stocks, current assets, equitable Mortgage on Land and Building of various situated properties, charge over machinery / moveables of the Company wherever situated, These loans are also guaranteed by the Managing Director & a whole time Director of the Company.	
B.	Term Loan due within a year Rs. 1,50,00,000/- (Previous Year Rs. Nil)	
C.	Loan against vehicles is secured against Hypothecation of respective vehicles taken under the scheme. Due within a year Rs. 13,95,357/- (Previous Year Rs. 4,58,878/-)	
 <u>SCHEDULE 'D'</u>		
<u>UNSECURED LOANS:</u>		
From Directors	71,933,886	71,933,886
From Others	11,957,481	11,957,481
A.due within a year Rs. Nil (Previous Year Rs.Nil)	<u>83,891,367</u>	<u>83,891,367</u>



SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS

**SCHEDULE 'E'
FIXED ASSETS**

Amount in Rs.

PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N / A M O R T I S A T I O N			N E T B L O C K			
	AT COST OR BOOK VALUE 01.04.2010	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	AT COST OR BOOK VALUE AS AT 31.03.2011	AS AT 01.04.2010	DURING THE YEAR	DEDUCTION / SALE DURING THE YEAR	TOTAL	AS AT 31.3.2011	AS AT 31.3.2010
TANGIBLE ASSETS										
LAND	6,983,145				-				6,983,145	6,983,145
BUILDING	52,008,194	1,015,556		53,023,750	22,769,226	1,609,234		24,378,460	28,645,290	29,238,968
PLANT & MACHINERY	204,874,460	35,272,510	2,924,752	237,222,218	112,970,325	13,337,796	1,555,354	124,752,767	112,469,450	91,904,134
FURNITURE & FIXTURES	14,581,112	1,211,062		15,792,174	11,163,783	823,874		11,987,657	3,804,517	3,417,329
OFFICE EQUIPMENT	20,099,684	1,929,664	586,704	21,442,644	16,390,737	1,432,969	530,515	17,293,191	4,149,453	3,708,947
VEHICLES	5,900,029	4,089,286	2,225,043	7,764,272	3,712,693	1,204,658	1,940,367	2,976,984	4,787,288	2,187,336
LEASE HOLD IMPROVEMENTS	1,483,550	2,129,102		3,612,652	381,468	788,702		1,150,170	2,462,482	1,102,082
INTANGIBLE ASSETS										
SOFTWARE	1,435,279	-		1,435,279	531,800	478,426		1,010,226	425,053	903,479
	307,365,453	45,647,180	5,736,499	347,276,134	167,920,032	19,655,659	4,026,236	183,549,455	163,726,679	139,445,421
PREVIOUS YEAR	290,873,444	22,611,818	6,119,809	307,365,453	155,137,813	16,455,940	3,673,721	167,920,032	139,445,421	

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

SCHEDULE 'F'**INVESTMENTS (At Cost)****LONG TERM (Quoted/ Non-Trade) :****Fully Paid up Equity Shares of****Joint Stock Companies**

	Face Value (Rs. Ps.)	No of Shares 31.3.2011	As on 31.3.2011 (Rs. Ps.)	No of Shares 31.3.2010	As on 31.3.2010 (Rs. Ps.)
Value Industries Ltd	10	100	5,000	100	5,000
Videocon Industries Ltd	10	3	5,000	3	5,000
Reliance Industries Limited	10	96	20,060	96	20,060
			30,060		30,060
Less : Dimunation in value of investment.			8,798		8,798
Total		199	21,262	199	21,262

(Unquoted/Trade) :**Fully Paid up Equity Shares of**

	Face Value (Rs. Ps.)	No of Shares 31.3.2011	As on 31.3.2011 (Rs. Ps.)	No of Shares 31.3.2010	As on 31.3.2010 (Rs. Ps.)
Investments in Body Corporates under same Management.					
Orscheln Remsons Technologies Pvt Ltd	10	---	---	500,000	5,000,000
Less : Dimunation in value of investment.					3,226,344
Net					1,773,656
Remsons Cables Industries Pvt Ltd	100	500	50,000	500	50,000
Goodluck Electronics Pvt Ltd	100	1,250	125,000	1,250	125,000
(Formally known as Western Remsons Industries Pvt Ltd)		1,750	175,000	501,750	1,948,656
NSC(Pledge with Central Sales Tax Authority)			30,000		30,000
Total Investment		1,949	226,262	501,949	1,999,918

Note : 1. Market Value of quoted shares on aggregate basis Rs.1,03,224/- (Previous Year Rs. 1,06,066/-).

2. During the year, the company has Sold 5,00,000 Equity Shares (Previous Year Nil) of Orscheln Remsons Technologies Pvt Ltd.

SCHEDULE 'G'**CURRENT ASSETS**

	As at 31.3.2011 Rs.	As at 31.3.2010 Rs.
1. Inventories: (As taken, valued and certified by Management) (See Note 9 of Schedule "R")	124,488,258	76,146,935
2. Sundry Debtors: (Unsecured)		
(i) Debts outstanding for a period exceeding six months -considered good	3,558,179	4,012,070
-considered doubtful	5,843,449	7,110,549
(ii) Other Debts-considered good	179,536,982	129,425,363
	188,938,610	140,547,982
Less : Provision for doubtful Debts.	5,843,449	7,110,549
	183,095,161	133,437,433
3. Cash and Bank Balances:		
(i) Cash on hand	374,626	388,639
(ii) Bank Balances: With scheduled banks		
a) In Current Accounts	1,364,193	879,065
b) In fixed/margin money deposit accounts (Pledged with the banks for Rs. 8,15,035/- Previous Year Rs. 7,35,483/-)	815,035	735,483
c) In unclaimed Dividend Accounts	---	61,301
d) In EEFC Accounts	430,185	474,355
	2,984,039	2,538,843
	310,567,458	212,123,211

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

<u>SCHEDULE 'H'</u>	As at 31.3.2011	As at 31.3.2010
<u>LOANS AND ADVANCES</u>	Rs.	Rs.
(Unsecured, considered good)		
(i) Advances recoverable in cash or in kind or for value to be received	3,244,655	3,633,322
(ii) Foreign Currency deferred Premium A/c	2,864,499	1,247,328
(iii) Deposits	1,501,552	1,501,575
(iv) Interest accrued on Fixed Deposits	60,596	82,296
(v) Balance with Government Authorities	4,848,066	3,670,977
(vi) Mat Credit Entitlement	15,102,490	---
(vii) Advance to suppliers		
a) For goods & expenses	2,518,408	1,513,924
b) For capital goods	3,681,554	5,654,981
	33,821,820	17,304,403
	<hr/> <hr/>	<hr/> <hr/>
 <u>SCHEDULE 'I'</u>		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
A. <u>Current Liabilities-</u>		
1. Sundry Creditors		
For Goods	139,757,470	81,778,436
(See Note 7 of Schedule 'R')		
For Expenses	15,211,017	12,986,909
For Capital Goods	5,993,376	---
2. Other Liabilities	19,216,463	13,210,976
3. Foreign Currency Forward Contract A/c (Net)	3,075,000	1,192,500
4. Deposits/Advance from customers	2,203,797	1,685,057
5. Investor Education & Protection Fund- Unpaid dividends (Not due)	---	54,481
	185,457,123	110,908,359
	<hr/> <hr/>	<hr/> <hr/>
B. <u>Provisions-</u>		
1. For Taxation (Net)	3,122,528	2,400,099
2. For Gratuity (See Note 15 of Schedule 'R')	1,497,833	1,071,685
3. For Leave Encashment (See Note 15 of Schedule 'R')	2,130,763	1,590,336
	6,751,124	5,062,120
	<hr/> <hr/>	<hr/> <hr/>
	192,208,247	115,970,479
	<hr/> <hr/>	<hr/> <hr/>

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As at 31.3.2011 Rs.	As at 31.3.2010 Rs.
<u>SCHEDULE 'J'</u>		
<u>SALES</u>		
Sales		
Local Sales	923,938,014	635,980,392
Export Sales	118,288,034	108,245,929
Less: Returns	6,275,992	4,365,190
	<u><u>1,035,950,056</u></u>	<u><u>739,861,131</u></u>
<u>SCHEDULE 'K'</u>		
<u>OTHER INCOME</u>		
Scrap sales	1,557,125	1,242,720
Interest received on Deposits & Others (Gross)	244,060	435,952
(T.D.S. Rs. 6,354/- Previous year Rs.18,286/-)		
Rent received	1,744,400	3,192,000
(T.D.S. Rs. 1,74,440/- Previous year Rs. 5,21,254/-)		
Dividend Received (Non Trade)(Longterm)	500,778	683
Sundry balances written back (Net)	857,539	1,343,843
Conversion Charges Recd	4,263,600	7,006,008
(T.D.S. Rs. 85,271/- Previous year Rs. 1,48,695/-)		
DEPB Received	839,275	1,004,159
Miscellaneous Income	2,604,008	1,566,704
	<u><u>12,610,785</u></u>	<u><u>15,792,069</u></u>
<u>SCHEDULE 'L'</u>		
<u>MANUFACTURING EXPENSES</u>		
Raw material consumed	583,684,707	406,913,788
Stores & Tools consumed	18,039,923	14,843,500
Packing Materials consumed	18,081,642	9,797,167
Excise Duty on Stocks of Finished Goods (Net) (See Note 18 of Schedule 'R')	(190,743)	1,194,578
Power & Fuel consumed	17,311,175	13,835,891
Carriage Inward	4,604,411	3,058,457
Conversion charges	18,244,327	11,133,970
Repairs & Maintenance to Plant & Machinery	4,059,376	2,772,404
R & D & Other Manufacturing Expenses	1,831,608	1,506,900
	<u><u>665,666,426</u></u>	<u><u>465,056,655</u></u>



SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

	As at 31.3.2011 Rs.	As at 31.3.2010 Rs.
<u>SCHEDULE 'M'</u>		
<u>DECREASE/ (INCREASE) IN STOCK -</u>		
(i) Opening stock		
Semi finished goods	11,825,081	16,458,204
Finished goods.	31,753,740	22,159,713
Scrap	7,545	4,688
	<u>43,586,366</u>	<u>38,622,605</u>
(ii) Closing Stock		
Semi finished goods	22,234,226	11,825,081
Finished Goods	36,589,421	31,753,740
Scrap	---	7,545
	<u>58,823,647</u>	<u>43,586,366</u>
Decrease/ (Increase) in inventory (ii - i)	<u><u>(15,237,279)</u></u>	<u><u>(4,963,761)</u></u>
<u>SCHEDULE 'N'</u>		
<u>EMPLOYEES' COST</u>		
Salary, Wages, Bonus, Allowances etc.	108,402,316	77,299,390
Contribution to Provident Fund & other funds	3,103,599	2,421,994
Group Gratuity scheme Premium [Refer Note 15 of schedule 'R']	1,437,449	1,071,685
Leave Encashment	872,033	751,627
Welfare expenses	3,584,828	2,793,351
	<u>117,400,225</u>	<u>84,338,047</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS

		As at 31.3.2011	As at 31.3.2010
		Rs.	Rs.
SCHEDULE 'O'			
<u>ADMINISTRATIVE, SELLING & OTHER EXPENSES</u>			
Insurance		1,166,319	875,697
Rates & Taxes		526,176	346,018
Printing & Stationery		1,610,601	1,109,374
Telephone/ Postage expenses		2,527,483	2,277,874
Security Service Charges		2,009,943	1,556,198
Travelling & Conveyance Expenses		4,182,173	2,910,748
Legal & Professional charges		5,085,371	3,653,332
Sales Promotion/Publicity & Advertisement expenses		1,103,887	1,558,644
Commission		5,615,630	4,467,727
Discounts & Rebates		9,959,103	6,986,543
Warranty Charges Paid		1,768,347	3,933,544
Bank charges		1,541,414	1,065,081
Electricity and Water charges		617,158	737,464
Rent Paid		3,386,023	3,072,540
Carriage Outward		30,010,577	22,169,313
Payment to Auditors			
Audit fees	150,000		
Tax Audit Fees	50,000		
Out of pocket expenses	6,624		
Branch Audit Fees	81,000		
In other capacity	50,020		
Vehicle expenses & Hire charges		337,644	370,587
Miscellaneous expenses		2,137,657	1,712,595
Loss on Sale of Fixed assets (Net)		1,381,832	896,763
Sales Tax		709,950	64,626
Service Tax		40,684,598	29,530,669
		134,185	104,045
Repairs & Maintenance			
To Building	1,560,053		
“ Others	1,824,329		
Donation		3,384,382	2,603,516
Directors Remuneration [Refer Note 11 of schedule 'R']		2,582,901	41,001
Director's sitting fees.		2,582,918	2,059,934
Exchange Rate Fluctuation		50,000	65,000
Loss of sale of 'Investment' [Refer Note 20 of schedule 'R']	4,002,510	(261,357)	4,189,773
Less : Provision for Dimunation in Investment	(3,226,344)	776,166	3,226,344
Bad debts	568,516	---	---
Less : Provision for Doubtful Debts	(568,516)	---	34,715
		125,611,081	101,619,665
SCHEDULE 'P'			
<u>FINANCIAL EXPENSES</u>			
INTEREST			
On Bank Cash Credit/ Term Loan		6,154,508	6,985,318
“ Others		373,920	75,389
		6,528,428	7,060,707



SCHEDULE “ Q “

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

- i) **Basis of Accounting** - The financial statements have been prepared under the historical cost convention, except where impairment is made and on accrual basis in accordance with accounting principles generally accepted in India and the provisions of the Companies Act, 1956. Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.
- ii) **Use of Estimates** - The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Differences between actual results and estimates are recognized in the period in which the results get materialized.
- iii) **Fixed Assets and Depreciation** -
 - a) **Fixed Assets :-**
All fixed assets are valued at cost less accumulated depreciation and impairment if any, (other than freehold land where no depreciation is charged) except that certain assets revalued are adjusted for revaluation.
 - b) Capital-work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
 - c) **Depreciation :-** Depreciation has been charged on straight line method on Buildings, Plants and Machineries, Electric Installations and Dies & Moulds, all other assets on written down value method at the rate and manner prescribed in Schedule XIV of the Companies Act, 1956.
 - d) Depreciation on the increased cost of fixed assets due to revaluation is charged to profit & loss account.
 - e) Depreciation on Leasehold Improvements is charged over the period of lease.
 - f) All assets costing upto Rs. 5000/- are fully depreciated in the year of purchase.
- iv) **Investments :-** Long term investments are stated at cost less other than temporary diminution in value if any. Current investments are stated at lower of cost and quoted/ fair value.
- v) **Inventories :-** Raw materials, Packing materials, Stores and Spare parts are valued at Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost (FIFO Method). Semi finished goods are valued at lower of estimated cost and net realisable value & Finished goods are valued at lower of cost or net realisable value (FIFO). Scrap is valued at net realisable value.
- vi) **Accounting of Claims :-** Claims / warranty payable are accounted for at the time of acceptance.
- vii) **Provisions/ Contingencies:-** A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.
- viii) **Revenue Recognition :-** Sale of goods is recognized when the risk and rewards of ownership are passed on to the customers, which is generally on despatch of goods.

Conversion Charges Income is recognised as per the terms of contract with customers when the related services are rendered. DEPB income recognised as and when export get completed. State Govt. Freight subsidy recognised in income as and when it received.

- ix) Dividend & Interest :-** Dividend income on investments is accounted for when the right to receive the payment is established. Interest income is recognised on accrual basis.
- x) Foreign Exchange Transactions:-**
- a) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the year-end rates. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of Monetary items at the end of the year, is recognised as income or expense.
 - b) Any premium or discount arising at the inception of the forward exchange contract is recognized as income or expense over the life of the contract. Exchange difference on a forward exchange contract is the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting / settlement date and the said amount translated at the later date of inception of the contract / last reporting date.
- xi) Lease Rent Transactions:**
- Lease Rentals are accounted for on accrual basis as per the terms of the agreement. Lease transactions in respect of all assets leased after April 1,2001 are classified as either finance lease or operating lease as the case may in accordance with AS 19 issued by The Institute of Chartered Accountants of India and the accounting treatment and disclosure given/ made as prescribed therein.
- xii) Research and Development Expenditure:-** Revenue expenditure on Research and Development is charged against the profit of the year in which it is incurred.
- xiii) Excise and Import duty :-**
- a) Excise duty in respect of goods manufactured by the Company is accounted on completion of manufacturing of goods.
 - b) Import duty payable is accounted as and when the goods enter the territory waters of the country.
- xiv) Employee Benefits :**
- i) Short Term Employee Benefits - All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.
 - ii) Post Employment/Retirement Benefits - Defined Contribution Plans such as Provident Fund etc. are charged to the Profit and Loss Account as incurred.

Defined Benefit Obligation Plans - The present value of the obligation under such plans, is determined based on an actuarial valuation, using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit and Loss Account. In case of gratuity, which is funded with the Life Insurance Corporation of India, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.
 - iii) Other Long Term Employee Benefits are recognized in the same manner as Defined Benefit Plans.
- xv) Taxation :** Provision for Income Tax, comprising of current tax and deferred tax, is made on the basis of the results of the year. In accordance with Accounting Standard 22- Accounting for Taxes on Income, issued by the Institute of Chartered Accountant of India Deferred tax resulting from timing difference between the book profits and the tax profits for the year is accounted for using the tax rate and laws that have been enacted or substantively enacted as of the balance sheet date. The Deferred tax assets are recognised & carried forward only to the extent that there is a reasonable certainty of its realisation.



- xvi) **Borrowing Cost :** Borrowing cost which is directly related to the acquisition, construction or production of qualifying assets are capitalised in accordance with AS-16 Borrowing Cost issued by the Institute of Chartered Accountants of India.
- xvii) **Expenditure During Construction Period :** In case of new projects and substantial expansion of existing factories, expenditure incurred including trial production expenses net of revenue earned, prior to commencement of commercial production are capitalised.
- xviii) **Segment Reporting Policies :** Primary Segment is identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Secondary segment is identified based on geographical area in which major operating divisions of the Company operate.
- xix) **Intangibles :** Intangible assets are recognised if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and cost of the asset can be measured reliably in accordance with AS - 26 on Intangible assets issued by The Institute of Chartered Accountants of India. Intangible assets are amortised on straight line basis over the useful lives determined on the basis of expected future economic benefits. The amortisation period and method would be reviewed at the end of each financial year. Softwares are amortised over a period of 36 Months.
- xx) **Impairment of Assets :** At each balance sheet date the company assesses whether there is any indication that an asset may be impaired, If any such indications exist, the company estimates the recoverable amount. If the carrying amount of the asset exceeds the recoverable amount, an impairment loss is recognised in the profit and loss account to the extent of carrying amount exceeds the recoverable amount.
- xxi) **Provision for Bad & doubtful debts :** Provision is made in accounts for bad & doubtful debts which in the opinion of the Management are considered doubtful.
- xxii) **Cash and cash equivalents :** Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank, in hand (including cheques in hand) and short term investment with an original maturity of three months or less.

SCHEDULE "R"**NOTES FORMING PART OF THE BALANCE SHEET AND
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011****1. Contingent Liabilities not provided for:-**

These, if any, are disclosed in the notes on accounts. Provision is made in the accounts if it becomes probable that an out flow of resources embodying economic benefits will be required to settle the obligation.

- a) Towards guarantees given by Bankers on behalf of the Company of Rs 75,464/- (Previous Year Rs.7,77,500/-)
- b) Estimated amounts of contracts remaining to be executed on capital account (net of advances) not provided for Rs 58,53,746/- (Previous Year Rs. 92,03,197/-).
- c) In respect of Sales Tax Demand Rs NIL (Previous year Rs. 1,03,048/-).
- d) In respect of Excise duty for Rs. 9,48,509/-(Previous year Rs. 9,48,509/-). which is under appeal.
- e) In respect of Service Tax for Rs. 52,687/-(Previous year Rs. 52,687/-). which is under appeal.
- f) In respect of Local Area development tax for Rs. 1,21,234/-(Previous year Rs. 1,21,234/-). which is under appeal.

2. Deferred Tax :

- (i) During the year ended 31st March,2011, The Company has recognised Deferred Tax Liabilities / (assets) of Rs. 1,45,61,224/- (Previous Year Rs. 1,25,82,323/-).
- (ii) The break up of deferred tax assets and liabilities as at March 31, 2011 comprises of the following :

	As at 31.03.2011	2010-11	As at 31.03.2010
Deferred tax liability :			
Related to Fixed Assets	21,533,407	669,077	22,202,484
	A	669,077	22,202,484
Deferred tax assets :			
Provision for Doubtful debts	1,895,907	466,040	2,361,947
Business Losses/ Unabsorbed Depreciation	2,087,166	13,468,396	15,555,562
Others	2,989,111	473,596	3,462,706
	B	14,408,032	21,380,215
Net Deferred tax Assets/(Liability)	B-A	13,738,954	(822,269)

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

(b) **Secondary Segment :Geographic Segment**

Segment Revenue	2010-11	2009-10
India	917,662,022	631,615,202
Rest of world	118,288,034	108,245,929
	1,035,950,056	739,861,131
	2010-11	2009-10
Segment Assets		
India	497,961,984	214,210,837
Rest of world	43,407,431	41,595,185
	541,369,415	255,806,022

4. Earning Per Share	2010-11	2009-10
Profit Attributable to equity shareholders	34,012,048	16,708,586
Number of equity shares (Face value Rs.10/-each.)	5,713,357	5,713,357
Basic and diluted Earning Per Share, including extra ordinary items	5.95	2.92
Basic and diluted Earning Per Share, excluding extra ordinary items	5.95	2.92

5. Sundry debtors, sundry creditors and loans and advances are subject to confirmation and reconciliation if any.
6. In the opinion of the management the current assets, loans and advances are of the value stated in the Balance Sheet if realised in the ordinary course of the business.
7. In terms of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006, the outstanding of these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act. In the absence of the information about registration of the Enterprises under the above Act, the required information could not be furnished. In view of above and in absence of relevant informations, the Auditor have relied upon the same.

8. **Capital Work in Progress includes :**

ITEM	2010-11	2009-10
	Rupees	Rupees
a) Opening Balance	903,548	58,492
b) Sundry Purchased	32,354,301	845,056
c) Bank Interest Capitalised	469,311	---
d) Finance Charges Capitalised	203,584	---
e) Less : Capitalised during the year	903,548	---
f) Closing Balance	33,027,196	903,548

9. Inventories include	2010-11	2009-10
ITEM	Rupees	Rupees
a) Raw Materials	62,652,177	30,820,296
b) Packing Materials	1,743,782	431,813
c) Consumable Stores & Tools	866,982	650,387
d) Semi-finished goods	22,234,226	11,825,082
e) Finished goods	36,589,421	31,753,740
f) Stock-in-transit	401,670	658,072
g) Scrap	---	7,545
	124,488,258	76,146,935

10. Operating Lease

- a) Operating lease payment recognised in Profit & Loss Account amounting to Rs. 33.86 Lakh (Previous Year Rs. 30.73 Lakhs)
- b) General description of the leasing arrangement:
- i) Leased Assets: Factory Building, Adm offices & flat.
 - ii) Future lease rentals are determined on the basis of agreed terms.
 - iii) At the expiry of the lease term, the Company has an option either to return the asset or extend the term by giving notice in writing.

11. Payment to the Managing Director and Whole time Director.	2010-11	2009-10
	Rupees	Rupees
Salaries & Allowances	2,160,000	1,656,000
Perquisites	166,200	156,000
Contribution to Provident Funds	187,200	187,200
Medical Reimbursement	69,518	60,734
	2,582,918	2,059,934

12. Depreciation / Amortisation :	2010-11	2009-10
	Rupees	Rupees
Depreciation on fixed assets for the year	19,108,093	15,908,374
Depreciation on revalued assets for the year	547,566	547,566
Total :	19,655,659	16,455,940

During the year Rs. 5,47,566/- (Previous year Rs. 5,47,566/-) depreciation of revalued assets charged to profit & loss account.



13. Revaluation of Land, Buildings & Plant & Machineries made on the following dates on the basis of revaluation carried out by an approved valuer.

On 31-3-92	Rs. 44,106,079
On 31-3-94	Rs. 18,488,700
	<u>Rs. 62,594,779</u>

The revaluation has resulted in a surplus of Rs. 6,25,94,779/-which has been credited to the revaluation reserve in the respective years of revaluation.

14. Additional information under paragraphs 3, 4C and 4D of Part-II of Schedule VI to the companies Act 1956.

A. Quantitative Information of goods manufactured / traded:

i) Licensed Capacity	Unit		
	Daman	Nos. 11,492,720 (3,492,720)	Auto Control Cables
	Gurgaon	Nos. 22,300,000 (22,300,000)	Auto Control Cables
ii) Installed capacity: (As certified by management and accepted by auditors without verification as it is a technical matter)	Unit		
		Nos. 32,992,720 (26,592,720)	Auto Control Cables
	Unit		
		<u>2010-11</u>	<u>2009-10</u>
iii) Production :			
Auto Control Cables	Nos	25,389,202	19,677,727
Auto Control Cables-Mtrs.	Mtrs	3,278,407	3,196,880

B. Turnover and Stock of finished goods

		2010-11		2009-10	
		Quantity	Value	Quantity	Value
		Nos	Rs.	Nos	Rs.
i) Opening Stock					
Auto Control Cables		739,448	31,753,740	638,557	22,143,443
Gas Guard		---	---	1,266	12,660
			31,753,740		22,156,103
ii) Sales (Net of Returns)					
Auto Control Cables-Nos		25,168,045	1,026,134,007	19,576,836	735,078,622
Auto Control Cables-Mtrs.		3,278,407	6,346,620	3,196,880	4,767,093
Gas Guard		---	---	1,266	15,416
			1,032,480,627		739,861,131
iii) Closing Stock					
Auto Control Cables-Nos		960,605	36,589,421	739,448	31,753,740
			36,589,421		31,753,740

C. Turnover and Stock of Trading Materials:

		2010-11		2009-10	
		Quantity	Value	Quantity	Value
		Nos	Rs.	Nos	Rs.
i) Opening stock	Nos.	---	---	361	3,610
ii) Purchases	Nos.	128,569	2,575,961	---	---
iii) Sale	Nos.	128,569	3,469,429	361	---
iv) Closing stock	Nos.	---	---	---	---

Note : In view of large number of them, itemwise breakup is not furnished.

D. Raw Materials Consumed during the year:

		2010-11		2009-10	
		Quantity	Value	Quantity	Value
		Nos	Rs.	Nos	Rs.
i) Wire	Kgs	3,045,503	160,684,327	2,276,297	113,637,955
ii) Auto Cords	Mts	18,084,760	49,412,174	9,610,489	20,773,522
iii) PVC	Kgs	1,015,855	50,374,686	675,649	40,721,281
iv) Components		---	312,190,656	---	218,179,949
v) Non-ferrous and	Kgs	63,225	9,333,019	40,352	5,448,565
vi) Semi finished		---	1,689,844	---	8,152,515
			583,684,707		406,913,788

Note: As components and semi finished are numerous and in different units of nos.,kgs.,meters and coils, quantitative information in respect thereof has not been given as required under Part II of Schedule VI to the Companies Act, 1956.



E. C I F Value of Imports:

	2010-11 Value (Rs.)	2009-10 Value (Rs.)
i) Raw Materials	33,392,259	11,644,099
ii) Plant & Machineries	2,120,789	2,342,445
	35,513,048	13,986,544

F. Total value of raw materials consumed:

	Raw Materials				Stores			
	2010-11 value	%	2009-10 value	%	2010-11 value	%	2009-10 value	%
Imported	32,490,249	5.57%	17,910,610	4.42%	---	---	---	0.00%
Indigenous	551,194,458	94.43%	389,003,177	95.58%	18,039,923	100.00%	14,843,500	100.00%
	583,684,707	100.00%	406,913,788	100.00%	18,039,923	100.00%	14,843,500	100.00%

G. Expenditure in foreign currency (on the basis of payment)

	2010-11 Rs.	2009-10 Rs.
For Reimbursement of Exp.	1,176,155	744,706
Consultancy charges	1,301,795	1,515,070
Rent	516,423	387,350
Fees & Subscription	24,200	30,304
Bank Interest	438,336	377,176
Repayment of Term Loan	---	5,094,064
Commission	4,162,118	3,730,471
	7,619,027	11,879,141

H. Earning in foreign currency

	2010-11 Rs.	2009-10 Rs.
FOB Value of Export	104,727,685	95,684,694
	104,727,685	95,684,694

15. EMPLOYEE BENEFITS :

- a) Defined benefit plans as per actuarial valuation on 31st March,2011.

Gratuity Funded Rs.

I Expenses recognised in the Statement of Profit & Loss for the year ended 31st March,2011.

	2010-11	2009-10
1. Current Service Cost	469,118	428,695
2. Interest Cost	517,095	415,981
3. Employee Contributions	---	---
4. Expected return on plan assets	540,750	413,915
5. Net Actuarial (Gain) / Losses	991,986	640,924
6. Past Service Cost	---	---
7. Settlement Cost	---	---
8. Total Expenses	1,437,449	1,071,685

II Net Assets/ (Liabilities) recognised in the Balance Sheet as at 31st March,2011.

1. Present value of Defined Benefit Obligations as at end of year.	7,165,789	6,463,692
2. Fair value of plan assets as at 31st March,2011.	5,667,956	5,392,007
3. Funded status [Surplus/(Deficit)]	(1,497,833)	(1,071,685)
4. Net assets/ (liabilities)as at 31st March,2011.	(1,497,833)	(1,071,685)

III Change in obligation during the year ended 31st March,2011.

1. Present value of Defined Benefit Obligation at beginning of the year.	6,463,692	5,199,766
2. Current Service Cost	469,118	428,695
3. Interest Cost	517,095	415,981
4. Settlement Cost	---	---
5. Past Service Cost	---	---
6. Employee Contributions	---	---
7. Actuarial (Gain) / Losses	991,986	640,924
8. Benefits Payments	(1,276,102)	221,674
9. Present value of Defined Benefit Obligation at the end of the year.	7,165,789	6,463,692

IV Change in Assets during the year ended 31st March,2011.

1. Plan assets at the beginning of the year.	5,392,007	3,353,255
2. Assets acquired on amalgamation in previous year		
3. Settlements		
4. Expected return on plan assets	540,750	413,915
5. Contributions by Employer	1,011,301	1,846,511
8. Actual benefits Paid	(1,276,102)	221,674
7. Actuarial (Gain) / Losses	---	---
8. Plan assets at the end of the year.	5,667,956	5,392,007
9. Actual return on plan assets	540,750	413,915



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

Qualifying Insurance Policy

VI Actuarial Assumptions:

a)	Discount Rate	8.00%	8.00%
	Salary Escalation	4.00%	4.00%
b)	The liabilities towards short term compensation absences is Rs. 21.31 Lacs (Previous Year Rs. 15.90Lacs).		

16. RELATED PARTIES DISCLOSURE:

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the disclosure of parties & transactions during the year as deemed in the Accounting Standard are given below :

Related parties with whom the company had transactions.

Related parties where control exist/ None.

A) BODY CORPORATES/ FIRM.

Nature of Relationship

1.	Remsons Cables Industries Private Ltd.	Associate Company
2.	Orscheln Technologies Pvt Ltd (JV) (Formerly known as Orscheln Remsons Technologies Pvt Ltd)	Joint Venture Company
3.	Goodluck Electronics Private Ltd.	Associate Company
4.	Orscheln Products LLC	Joint Venture partner
5.	Krishna Industries	Partnership firm where Directors/ Relatives are partners

B) KEY MANAGEMENT PERSONNEL.

- 1 Mr. V.Harlalka
- 2 Mr. Krishna Kejriwal
- 3 Mrs. Chand Kejriwal

C) RELATIVE OF KEY MANAGEMENT PERSONS.

1. Mrs. Sita Harlalka
2. Mr. Basant Kejriwal
3. Mr. Rahul Kejriwal
4. Ms. Ranee Khatkhate
5. Mrs. Shivani Kejriwal
6. V.Harlalka HUF
7. Krishna Kejriwal HUF
8. Rahul Kejriwal HUF

DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS ON 31ST MARCH,2011.

PARTICULARS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL & RELATIVES	
	2010-11	2009-10	2010-11	2009-10
Sale of investment in Shares	5,000,000	-	-	-
Orscheln Remsons Technologies Pvt Ltd	5,000,000	-	-	-
Others	-	-	-	-
Sale of goods/services	14,258,047	17,781,115	-	-
Remsons Cables Industries Pvt Ltd	13,228,942	17,372,593	-	-
Orscheln Products LLC	1,009,933	373,709	-	-
Orscheln Remsons Technologies Pvt Ltd	19,172	34,813	-	-
Others	-	-	-	-
Purchase of goods/services	36,155,278	5,753,643	-	-
Remsons Cables Industries Pvt Ltd	33,300,984	4,557,673	-	-
Orscheln Remsons Technologies Pvt Ltd	929,600	1,195,970	-	-
Orscheln Products LLC	1,924,694	-	-	-
Others	-	-	-	-
Purchase of Fixed assets	750,371	1,141,290	-	-
Orscheln Products LLC	-	1,141,290	-	-
Others	750,371	-	-	-
Rent paid	2,400,000	2,400,000	691,000	96,000
Goodluck Electronics Pvt Ltd	2,400,000	2,400,000	-	-
Mrs.Chand Kejriwal	-	-	475,000	-
Mrs.Shivani Kejriwal	-	-	216,000	96,000
Others	-	-	-	-
Rent Received	1,744,400	3,192,000	-	-
Remsons Cables Industries Pvt Ltd	1,600,000	2,400,000	-	-
Orscheln Remsons Technologies Pvt Ltd	144,400	792,000	-	-
Others	-	-	-	-
Conversion Charges Recd	4,263,600	6,855,280	-	-
Remsons Cables Industries Pvt Ltd	4,263,600	6,855,280	-	-
Others	-	-	-	-
Conversion Charges Paid	2,949,236	10,443	-	-
Krishna Industries	2,949,236	10,443	-	-
Others	-	-	-	-
Commission Paid	-	-	218,044	20,245
Mr.Basant Kejriwal	-	-	218,044	20,245
Others	-	-	-	-
Remuneration	-	-	3,275,922	2,419,935
Mr.Krishna Kejriwal	-	-	1,560,323	1,180,349
Mrs.Chand Kejriwal	-	-	1,022,595	879,586
Mr.Rahul Kejriwal	-	-	693,004	360,000
Director Sitting Fees	-	-	50,000	65,000
Mr. V.Harlalka	-	-	15,000	12,500
Mr. S.B.Parwal	-	-	15,000	17,500
Others	-	-	20,000	35,000
Reimbursement of Expenses incurred/ Recovered	1,711,216	3,209,043	-	-
Remsons Cables Industries Pvt Ltd	1,711,216	3,209,043	-	-
Orscheln Remsons Technologies Pvt Ltd	-	-	-	-
Receivables	-	237,823	-	-
Remsons Cables Industries Pvt Ltd	-	-	-	-
Orscheln Remsons Technologies Pvt Ltd	-	-	-	-
Orscheln Products LLC	-	237,823	-	-
Others	-	-	-	-
Payable	7,750,684	-	84,046,896	83,911,612
Remsons Cables Industries Pvt Ltd	7,750,684	-	-	-
Krishna Industries	-	-	-	-
Goodluck Electronics Pvt Ltd	-	-	-	-
Orscheln Remsons Technologies Pvt Ltd	-	-	-	-
Orscheln Products LLC	-	-	-	-
Mr.Krishna Kejriwal	-	-	39,758,886	39,758,886
Mrs.Chand Kejriwal	-	-	32,175,000	32,175,000
Others	-	-	12,113,010	11,977,726

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

17. Disclosure of Provision as required by Accounting Standard 29.

Particulars	Doubtful Debts
Carrying amount at beginning	7,110,549
Additional Provision made during the year	---
Net Amount paid/adjusted during the year	1,267,101
Carrying amount at the end of year	5,843,449

18. (a) Break- up of Excise Duty on Stocks of Finished Goods :

Particulars	2010-11	2009-10
Opening Balance	2,786,359	1,591,782
Closing Balance	2,595,616	2,786,360
Diff. Debit/ (Credit) to Profit & Loss Account	(190,743)	1,194,578

(b) Excise Duty of Rs. 8,87,62,930/- (Previous year Rs. 4,95,31,301/-) pertains to Excise Duty of Sales only.

19. Information on Joint Ventures :
i) Jointly controlled entities.

Sr. No.	Name of the Joint Venture	Country of Incorporation	Percentage of Ownership interest
1.	Orscheln Remsons Technologies Private Ltd	India	0% (Previous Year :15%)

Information based on unaudited financial statements.

ii) Contingent Liabilities in respect of Joint Ventures.

	2010-11	2009-10
a) Directly incurred by the Company.	-	15%
b) Share of the Company in contingent liabilities which have been incurred jointly with other ventures.	-	-
c) Share of the Company in contingent liabilities incurred by jointly controlled entity (to the extent ascertainable)	-	-
d) Share of other ventures in contingent liabilities incurred by jointly controlled entity.	-	-

iii) Capital commitments in respect of Joint Ventures.

a) Direct capital commitments by the Company.	-	-
b) Share of the Company in capital commitments which have been incurred jointly with other ventures.	-	-
c) Share of the Company in capital commitments of the jointly controlled entity.	-	-

iv)	Interest in the assets, liability.		
	A) Assets :		
	a) Fixed Assets (Net Block) :	-	1,014,059
	Capital Work-in-Progress	-	---
	b) Investments	-	---
	c) Current Assets, Loans and advances :		
	Inventories	-	407,112
	Sundry Debtors	-	78,042
	Cash and Bank Balances	-	155,530
	Loan and Advances	-	526,985
	Other Current Assets	-	---
	B) Liabilities :		
	1) Loan Funds :		
	Secured Loans	-	---
	Unsecured Loans	-	---
	2) Current Liabilities and Provisions :		
	Liabilities	-	216,981
	Provisions	-	182,223
	3) Deferred Tax Liability (Net) :	-	
	C) Income :		
	a) Sales and Export Incentives	-	563,067
	b) Other Income	-	265,958
	D) Expenditure :		
	a) Material Costs	-	296,636
	b) Manufacturing Expenses and Inventory Variation	-	187,038
	c) Employee Costs	-	12,001
	d) Administrative, Selling and Other Expenses	-	1,517,404
	e) Finance Charges	-	---
	f) Depreciation	-	297,955
	g) Provision for Taxation	-	---

20. The company has sold its entire holding of Rs. 50 Lacs in Joint Venture company namely Orscheln Technologies Pvt Ltd (formerly known as "Orscheln Remsons Technologies Pvt Ltd") based in India. The company has Dr. Rs. 7,76,166 Loss (provision of Rs. 32,26,344/- towards Diminution in value of investment in last year) Equity shares of JV Company.



21 A. Hedged foreign currency exposure

The hedged foreign currency exposure as on 31st March,2011 is given below :-

	Foreign Currency	2010-11 (FC)	2010-11 (INR)	2009-10 (FC)	2009-10 (INR)
Payables (Cr)	USD	1,200,000	57,243,000	1,000,000	45,580,000

B. Unhedged foreign currency exposure

The Unhedged foreign currency exposure as on 31st March,2011 is given below :-

	Foreign Currency	2010-11 (FC)	2010-11 (INR)	2009-10 (FC)	2009-10 (INR)
Payables (Cr)	USD	119,588	5,398,198	36,061	1,643,660
Payables (Cr)	Euro	258,230	16,524,147	---	---
Payables (Cr)	GBP	6,491	473,074	---	---
Receivables (Dr)	USD	6,840	302,512	667,304	39,718,483
Receivables (Dr)	Euro	691,177	43,101,818	61,384	2,436,077
Receivables (Dr)	GBP	---	---	3,405	234,741

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

23. Figures are rounded off to the nearest rupees.

SIGNATURE TO SCHEDULES “A” TO “R”

As per our report of even date

For and on behalf of the Board

For Kanu Doshi Associates

Chartered Accountants
Firm Reg. No.104746W

Ankit Parekh

Partner
Mem. No. 114622
Place: Mumbai.

Dated : 27th May, 2011

V. Harlalka

Chairman

K. Kejriwal

Managing Director

Sukhdeo Purohit

Company Secretary

Anil Kumar Agrawal

Chief Financial Officer

Balance Sheet Abstract and Company's General Business Profile (in terms of amendment to Schedule VI part IV)

I. Registration Details

Registration No. TA/1 5 1 4 1
 Balance Sheet Date Date Month Year
 31-Mar-2011

State Code : 11

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

Public Issue	Rights Issue
NIL	NIL
Bonus Issue	Private Placement/ Amalgamation
NIL	NIL

III. Position of Mobilisation and Development of Funds (Amount in Rs.)

Total Liabilities	Total Assets
349,161,168	349,161,168
Sources of Funds	
Paid-up Capital	Reserves & Surplus
57,133,570	60,661,626
Secured Loans	Unsecured Loans
132,913,382	83,891,367
Deferred Tax Liabilities	
14,561,223	

Application of Funds

Net Fixed Assets	Net Current Assets	Investments
196,753,875	152,181,031	226,262

IV. Performance of the Company (Amount in Rs.)

Turnover & Other Income	Total Expenditure
959,797,911	919,624,540
Profit/Loss Before Tax	Profit/Loss After Tax
40,871,956	34,012,048
Earning per Share in Rs.	Dividend Rate %
5.95	NIL

V. Generic Name of Principal Products of the Company (as per monetary terms) Item Code No. (ITC Code)

Product Description : Parts and accessories of the motor vehicles of heading	8 7 0 8 3 9 0 0
nos.87.01 to 87.05 and 87.11 to 87.13 control cables for Automobile and	8 7 1 4 9 4 0 0
General Engineering purpose and Automobile brake liners & brake shoes.	

For and on behalf of the Board

V. Harlalka	<i>Chairman</i>
K. Kejriwal	<i>Managing Director</i>
Sukhdeo Purohit	<i>Company Secretary</i>
Anil Kumar Agrawal	<i>Chief Financial Officer</i>

Cash Flow Statement for the year ending 31st March, 2011

	2010-11	2009-10
	Rs.	Rs.
A. Cash flow from operating activities:		
Net profit before tax and extra-ordinary items	40,871,956	35,743,637
Adjustment for:		
Depreciation	19,655,659	16,455,940
Interest paid	6,528,428	7,060,707
Profit (Loss) on sale of fixed assets	709,950	64,626
Rent/Lease Rent received	(1,744,400)	(3,192,000)
Interest on Deposits	(244,060)	(435,952)
Sundry credit balances/advances written off	(857,539)	(1,343,843)
Dividend Received	(500,778)	(683)
Bad debts/Sundry balances/advances written off	---	34,715
Provision for doubtful debts	698,585	(732,204)
Provision for Retirement Benefit	2,309,482	1,823,312
	<u>26,555,326</u>	<u>19,734,617</u>
Operating profit before working capital changes	67,427,283	55,478,254
Adjustments for:		
Trade and other receivables	(50,356,314)	(32,073,856)
Loan & Advance	(3,410,055)	(2,120,796)
Inventories	(48,341,323)	(2,728,107)
Trade payables	75,406,302	14,972,993
Retirement Benefit	(1,342,907)	(2,118,783)
	<u>(28,044,295)</u>	<u>(24,068,549)</u>
Cash generated from operations	39,382,987	31,409,705
Direct taxes paid	(7,501,015)	(5,655,915)
	<u>(7,501,015)</u>	<u>(5,655,915)</u>
Cash flow before extra-ordinary items	31,881,972	25,753,789
Extraordinary items	---	---
Net cash from operating activities	31,881,972	25,753,789
B. Cash flow from investing activities:		
Advance Paid & Purchase of fixed asset	(75,797,401)	(28,408,447)
Sale of fixed assets	1,000,313	2,381,462
Interest on deposits received	265,761	727,342
Dividend Received	500,778	683
Investments	1,773,656	3,226,344
Rent received	1,744,400	3,192,000
Net cash used in investing activities	<u>(70,512,493)</u>	<u>(18,880,616)</u>
	(38,630,521)	6,873,173

C.	Cash flow from financing activities:		
	Secured Loans	45,604,144	(1,569,917)
	Interest paid	(6,528,428)	(7,060,707)
	Net cash used in financing activities	39,075,716	(8,630,624)
	Net increase in cash and cash equivalents	445,195	(1,757,450)
	Cash and Cash equivalents as at 01-04-10 (Opening Balance)	2,538,843	4,296,295
	Cash and cash equivalents as at 31.03.11 (Closing Balance)	2,984,039	2,538,843

Note :

Cash flow statement has been prepared under the indirect method as set out in the accounting standard-3" Cash flow statements" as specified in the companies (Accounting Standards) Rules,2006.

For and on behalf of the Board

For Kanu Doshi Associates

Chartered Accountants
Firm Reg. No. 104746W

V.Harlalka

Chairman

Ankit Parekh
Partner

K.Kejriwal

Managing Director

Mem. No. 114622
Place : Mumbai

Sukhdeo Purohit

Company Secretary

Dated : 27th May, 2011

Anil Kumar Agrawal

Chief Financial Officer



REMSONS
INDUSTRIES LTD.

REMSONS INDUSTRIES LTD.

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

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India (“MCA”) has, vide its circular nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 taken a “Green Initiative in the Corporate Governance” by allowing paperless compliance by the companies. In terms of the said circulars, service of notice / documents such as Notice of the Annual General Meeting, Audited Financial Statements, Directors’ Report, Auditor’s Report, Postal Ballots etc by a Company to its shareholders required to be made under the provisions of the Companies Act, 1956 can now be made through the electronic mode.

In line with the above initiative of the MCA, your Company henceforth proposes to send all documents / notice / annual Reports to all its shareholders including you and therefore it is required to update its database by incorporating your designated e-mail ID in its records.

You are requested to join us in the Green Initiative of the Company and kindly register your E-mail ID quoting your folio number to our Registrar and Share Transfer Agents at the following address:

Sharex Dynamic (India) Private Limited
Unit 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Mumbai - 400 072.
Tel -: 022-28515606, 28515644, Fax -: 022-22641349
E-Mail:- sharexindia@vsnl.com

If you are holding shares in the Electronic Form, you may kindly register / update your E-mail ID with your Depository Participant.

We are sure, you will appreciate this welcome initiative taken by the MCA to reduce consumption of paper and thereby protect the environment. If however, you still require a hard copy of the Annual Reports and all other communications, you may write to the Company and the Company undertakes to provide the same at no cost to you.

Thanking you,

Yours faithfully,

For **Remsons Industries Limited**

Sukhdeo Purohit
Company Secretary



REMSONS INDUSTRIES LTD

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

ATTENDANCE SLIP

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

Regd. Folio No. _____

DP ID: _____

Client ID No: _____

NAME OF THE MEMBER/PROXY*

ADDRESS:

NO. OF SHARES HELD :

I hereby record my presence at the 39th ANNUAL GENERAL MEETING of the Company held on Thursday, the 25th August 2011 at 4 p.m. at 88B, Govt. Industrial Estate, Kandivli (W), Mumbai - 400 067.

SIGNATURE OF MEMBER/PROXY*

* Strike-out whichever is not applicable.



REMSONS INDUSTRIES LTD

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

PROXY FORM

Regd. Folio No. _____

DP ID: _____

Client ID No: _____

No. of Shares Held _____

I/We _____

of _____ being a Member/Members of

Remsons Industries Limited hereby appoint _____

of _____

or failing him _____

as my/our proxy to vote for me/us and on my/our behalf at the 39th Annual General Meeting of the Company to be held on Thursday, the 25th August 2011 and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Affix
15 Paise
Revenue
Stamp

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

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