



BOARD OF DIRECTORS :

Chairman & Managing Director
Director
Director

Mr. Bhupinder Singh Sahney
Ms. Brijween Kaur Sahney
Ms. Jasmine Sahney Pillai

President - Finance &
Company Secretary

Mr. P.S. Sastry

Auditors:

M/s. Venugopal & Chenoy
Chartered Accountants
Hyderabad

Bankers:

Canara Bank, Basheerbagh, Hyderabad
Canara Bank, Muthialpet, Pondicherry

Factory:

Thondamanatham Village, Villianure Commune
Puducherry - 605 502

Registered Office:

8-2-409, Road No.6
Banjara Hills,
Hyderabad- 500034

Registrar & Share transfer agent:

Aarathi Consultants Pvt Ltd.,
1-2-285, Domalguda,
Hyderabad 500 029
Phone: 040-27634445



NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the Members of REIL ELECTRICALS INDIA LIMITED will be held on Saturday, the 28th of September 2013 at 11.00 a.m. at Radisson Blu Plaza Hotel, 8-2-409, Road No.6, Banjara Hills, Hyderabad- 500034, to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013, the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare a dividend on equity capital.
3. To appoint a Director in place of Ms .Brijween Kaur Sahney, who retires by rotation and being eligible offers herself for re-appointment.
4. To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General M and to fix their remuneration and to pass the following resolution thereof:

“**RESOLVED THAT** M/s. Venugopal & Chenoy, Chartered Accountants, having ICAI Registration No: 004671S, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution

“**RESOLVED THAT** pursuant to the provisions of the sections 198,269,309,311 and other applicable provisions, if any, of the Companies Act, 1956 (Act), read with schedule XIII to the said Act and subject to the such other consents/approvals as may be required, Mr.B.S.Sahney, be and is hereby by re-appointed as Managing Director of the Company for a further period of three years with effect from July, 29, 2013 whose term of office shall not be liable to determination by retirement of Directors by rotation at remuneration and perquisites as detailed below :

- a) Salary of Rs. 28,80,000 per annum (Rupees Twenty Eight Lakhs Eighty Thousand per annum)
- b) Perquisites including medial reimbursement, leave travel allowance, expenditure on gas, electricity and water, house maintenance etc., shall be valued as per the Income Tax Rules.
- c) Provident fund and gratuity as per rules of the Company
- d) Commission at 5% of the net profit of the Company computed as per the Act.

“**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr.B.S.Sahney, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, allowances and



perquisites within the limits as laid down under sections 198,309,310 and all other applicable provisions, if any, of the Act read with Schedule XIII of the Act, as in force from time to time.”

“**RESOLVED FURTHER THAT** Mr.P.S.Sastry, President (Finance) & Company Secretary be and is hereby authorised to complete necessary formalities as may be required under the Companies Act, 1956 and to do all such acts as may be necessary for this purpose.

By order of the Board of Directors
For REIL ELECTRICALS INDIA LIMITED
P.S. Sastry
President - Finance & Company Secretary

Place: Hyderabad
Date: July 27, 2013

NOTES:

1. An Explanatory Statement pursuant to section 173 of the Companies Act, 1956 in respect of business under Item no. 5 above is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxy form(s) in order to be effective must be received by the company at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. The share transfer books of the Company will remain closed from 14.09.2013 to 28.09.2013 (both days inclusive).
4. Members holding shares in electronic form are requested to intimate any change in their address to the depository participant (DP) with whom the demat account is maintained.
5. Members are requested to bring admission slip duly filled in along with the copy of Annual Report to the Meeting.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. The Ministry of Corporate Affairs (MCA) has permitted paperless compliances by the Companies; vide its circulars No. 17/2011 and No. 18/2011 dated April 21, 2011 and April 29, 2011 respectively. MCA has clarified that service of documents on Members by e-mail will constitute sufficient compliances with Section 53 of the Companies Act, 1956, provided the Members are given an advanced opportunity to register their Email address or changes, if any, therein with the Company. Members are requested to provide their email id to our Registrar & Share Transfer Agent M/s. Aarthi Consultants Pvt Ltd, 1-2-285, Domalguda, Hyderabad-500029 for the purpose of service of documents viz., Annual Report, Notice of General Meetings, Notice of Postal Ballot etc.
8. Members are requested to intimate any change of registered address (including PIN code number) to the Registered Office of the Company, if they are holding shares in physical mode only.



EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM 5

Mr.B.S.Sahney is the Managing Director of the Company. He was re-appointed at the 36th Annual General Meeting of the Company held on August 02, 2010 for a period of three years with effect July 29, 2010. It is proposed to re-appoint Mr.B.S.Sahney as a Managing Director of the Company for a further period of three years with effect from July 29, 2013 at the remuneration presently being drawn by him and on other terms and conditions as set out in the Resolution.

Under the provisions of Sections 198, 269, 309 and all other applicable provisions read with Schedule XIII of the Companies Act, 1956, consent of the Members of the Company is required for the re-appointment and fixation of remuneration payable to the Managing Director. The Board of Directors, based on the recommendation of Remuneration Committee, is of the view that the remuneration package is commensurate with the operations of the Company.

A brief profile of Mr.B.S.Sahney and the names of the Companies in which he holds directorships and memberships/chairmanships of Board/Committees, as stipulate under clause 49 of the Listing Agreement with the stock exchanges in India, are provided in Report on Corporate Governance forming part of Annual Report.

The terms of revision of remuneration as set out in Item No.5 of the Notice may be treated as an abstract of the terms of revision of remuneration of Mr.B.S.Sahney for the purpose of Section 302 of the Act.

The Board accordingly, commends the resolution for approval of the members as a Special Resolution.

Mr.B.S.Sahney, Managing Director is deemed to be concerned or interested in the Resolution. Ms.Brijween Kaur Sahney and Ms.Jasmine Shaney Pillai, Directors may be deemed to be interested in the Resolution as they are related to Mr.B.S.Sahney, Managing Director. Save and except the above, none of the other Directors of the Company is in any way deemed to be concerned or interested in the Resolution.

Place: Hyderabad
Date: July 27, 2013

By order of the Board of Directors
For REIL ELECTRICALS INDIA LIMITED
P.S. Sastry
President - Finance & Company Secretary



Auditors' Report

To
The Members,
REiL Electricals India Limited

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub section (3C) of section 211 of Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements, together with the Accounting Policies and Notes to Accounts, give the information



required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor’s Report) Order, 2003 (“the Order”) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors, as on March 31,2013 and taken on record by the Board of Directors, none of the directors are disqualified as on that date from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;.

For VENUGOPAL& CHENOY,
CHARTERED ACCOUNTANTS,

P.V.SRIHARI
Partner
M.No.21961
FRN No: 004671S

Place: Hyderabad
Date: 30-05-2013



Annexure to Auditors' Report

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets:

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, which require to be updated.
- b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the books/record and the physical inventory were noticed on such verification.
- c. In our opinion and according to the information and explanations given to us, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of its inventories:

- a. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
 - 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. According to the information and explanations given to us, the Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to book record.
3. According to the information and explanations given to us, the Company neither took nor granted any loans, secured or unsecured, from or to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
 4. 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 also for the sale of goods.
 5. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, aggregating during the year to Rs.5,00,000/- (Rupees Five lakhs only) or more in respect of any party.
 6. The Company has not accepted any deposits from the public.



7. The Company has an Internal Audit system. In our opinion, the scope and coverage is commensurate with its size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records.
9. In respect of Statutory Dues:
 - (a) The Company during the year is regular in depositing provident fund dues and Employees State Insurance dues with appropriate authorities. In respect of Income Tax, Sales Tax, Wealth Tax, Custom Duty and Excise Duty, there are no undisputed amounts outstanding as at March 31, 2013, for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations give to us, the disputed statutory dues that have not been deposited on account of disputed matters pending before the appropriate authorities are Rs. 108.00 lakhs on account of Central Excise demands pending before High Court of Tamil Nadu.
10. As per the accounts referred to in this Report, neither the net-worth of the Company has been eroded nor the Company incurred cash losses during the financial year under Report nor in the preceding financial year.
11. The Company has not defaulted in repayment of its dues to any financial institutions or banks
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause-4 (xiii) of the Companies (Auditors' Report) Order, 2003, is not applicable to the Company.
14. The Company has not dealt in or traded in shares, securities, debentures and other investments.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised any term loans during the year.
17. In our opinion, the short-term loans raised by the Company during the year have not been applied for long term investment.
18. During the year, 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.



19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

For VENUGOPAL & CHENOY,
CHARTERED ACCOUNTANTS,

P.V.SRIHARI
Partner
M.No.21961
FRN No: 004671S

Place: Hyderabad
Date: 30-05-2013



DIRECTORS' REPORT

The Directors have pleasure in presenting their 39th Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2013.

Financial Results:

(Rs. in lakhs)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Turnover	2506.59	2667.91
Profit before interest and depreciation	257.10	360.92
Interest and Finance Charges	32.06	7.55
Depreciation	58.57	59.61
Profit before Tax	166.46	293.76
Current Tax after Adjustments	47.90	92.10
Profit after Tax	118.57	201.66

Dividend:

The Board of Directors recommends a dividend of Rs. 3 per share for the year 2013. This dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting.

Operations:

During the year ended 31st March, 2013, your company's turnover was Rs. 2506.59 (previous year Rs. 2667.91) and earned a profit of Rs. 118.57 Lakh (previous year Rs. 201.66 Lakh).

Directors:

Mr Bhupinder Singh Sahney has been reappointed as Managing Director for a period of 3 years effective from July 29, 2013. Mr. B.S. Sahney has been the Managing Director of the company since inception and hence Board of Directors has reappointed him.

Pursuant to the provisions of the Companies Act, 1956 and Articles of the Association of the Company, Ms. Brijween Kaur Sahney, Director of the Company retires from the Board by rotation and being eligible offers herself for re-appointment.

Corporate Governance:

Pursuant to Clause 49 of the Listing Agreement with stock exchange, Corporate Governance Report and Auditors Certificate regarding the compliance of the conditions of Corporate Governance are made part of the Annual Report. The code of conduct for Directors and Senior Management personnel of the Company, as approved by the Board, has been affirmed on an annual basis by all the Directors of the Company. The relevant certification on the various matters specified under paragraph V of Clause 49 has been certified by the Chairman & Managing Director and President (Finance) & Company Secretary.

**Listing Information:**

The Company's Shares are presently listed at BSE Ltd., Mumbai. The Listing fee to the Stock Exchange has been paid up to date. Promoters have offered to buy back the public shareholding and delist the company from the stock exchange. The company has intimated to the BSE Limited (BSE) on May 09, 2013 outcome of the Board meeting for seeking the approval of the public shareholders of the Company for the Delisting Proposal by way of postal ballot in accordance with the provisions of section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 and SEBI (Delisting of Equity shares) Regulations, 2009. The Special Resolution has been duly approved by the requisite majority under the Companies Act, 1956 and as the number of votes cast by public shareholders in favour of the Special Resolution being greater than two times of the number of the votes cast by the public shareholders against the Special Resolution, the requirement of the proviso to Regulation 8(1) (b) of the Delisting Regulations is satisfied. Consequently, in terms of the proviso to Regulation 8(1) (b) of the Delisting Regulations, the Special Resolution shall be acted upon/given effect to.

Director's Responsibility:

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

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation 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 or loss of the company for that period under review;
- (iii) the directors have ensured that proper and sufficient care is taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts are prepared on a going concern basis.

Public Deposits:

Your Company has not accepted any deposits from the Public.

Auditors:

M/s. Venugopal & Chenoy, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Board recommends their re-appointment. A certificate from the Auditors have been received to the effect that their appointment, if made would be within the limits prescribed under section 224(1)(B) of the Companies Act, 1956.

Particulars of Employees:

During the year under report, no employee throughout the year or part of the year was in receipt of remuneration upto or in excess of the sums prescribed under Section 271(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1956.



Acknowledgements:

Your Directors take this opportunity to place on record their appreciation for the co-operation and support extended by Banks, Financial Institutions and Business Associates.

Your Directors also wish to place on record their appreciation to all the employees for their sincere and dedicated services rendered to the Company and are also grateful to all the members of the Company for reposing continued trust and confidence in the Management of the Company.

For and on behalf of the Board

Place: Hyderabad
Date: 27-07-2013

B.S.Sahney
Chairman & Managing Director



(A) Annexure to Director's Report

(i) Conservation of Energy:

Though the Company's production facilities are not energy intensive, measures have been adopted to conserve usage of energy.

(ii) Research and Development & Technology absorption:

Company's in-house Design & Development facilities have enabled continuous redesigning of the products and their components to save cost and improve quality.

(iii) Foreign Exchange Inflow & Outflow: (Rs. in Lakhs)

(A) INFLOW -	(i) Export Earnings (FOB)	3.64
(B) OUTFLOW -	(i) Imports - CIF	402.61
	(ii) Foreign Travel	29.27

(B) ANNEXURE TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT:

I. CORPORATE GOVERNANCE CODE:

Company believes in corporate governance aimed at efficient conduct of the business of the Company. This report is as per clause 49 of the listing agreement.

II. BOARD OF DIRECTORS:

(a). The board comprised of 3 Directors of whom one is Whole time Director and other two are Non- executive Directors.

(b). The names of the Directors are:

1. Mr. BS Sahney, Chairman & Managing Director
2. Ms. Brijween Kaur Sahney, Director
3. Ms. Jasmine Sahney Pillai, Director

(c). During the year the Board of Directors met 7 times:

Sl. No	Date of meeting	Main Agenda
1	30-05-2012	Audited financial statements for the year ended March 31, 2012
2	31-07-2012	Un-audited Financial Results for the second quarter ended June 30, 2012
3	09-08-2012	Changes in the authorised signatories for operating bank accounts
4	12-11-2012	Un-audited Financial Results for the second quarter ended September 30, 2012
5	10-01-2013	Renewal of Existing Working Capital Limits
6	09-02-2013	Un-audited Financial Results for the third quarter ended December 31 ,2012
7	15-03-2013	Changes in the authorised signatories for operating bank accounts



DETAILS OF DIRECTORS PROPOSED FOR RE-APPOINTMENT

- Ms.Brijween Kaur Sahney retire by rotation and being eligible, seek re-appointment
- Mr.B.S.Sahney, Managing Director is proposed to be re-appointed

Ms.Brijween Kaur Sahney, aged 69 years, is a graduate. She has over 25 years of experience in business industry. She is a Director on the Boards of the following Companies viz., Daaj Hotels and Resorts Pvt Ltd, Bhupinder Investment Company Pvt Ltd, Sahney Prestolite Electricals India Private Limited, BS Real Estate Ventures Private Limited. She holds 6,49,120 equity shares of Rs.10 each in the Company.

Mr.B.S.Sahney, aged 73 years, is the Promoter and Managing Director of the Company. He holds a Bachelors degree in science. He has considerable experience of more than 40 years in the business industry and is well versed with manufacturing technologies, systems, processes and controls. He is a Director on the Boards of the following Companies viz., Daaj Hotels and Resorts Pvt Ltd, Bhupinder Investment Company Pvt Ltd, Sahney Prestolite Electricals India Private Limited, BS Real Estate Ventures Private Limited. He supervises the overall affairs of the Company. He holds 10,98,380 equity shares of Rs.10 each in the Company.

(d). **COMMITTEE OF DIRECTORS:** The Audit committee is constituted with two Directors viz., Ms Jasmine Sahney Pillai, Ms. Brijween Kaur Sahney. The committee carries out functions mentioned in the Listing Agreement and Section 292A of the Companies Act, 1956 including:

- I. Disclosure of financial information to ensure that the financial statements are correct and adequate and credible.
- II. Reviewing with the Management the periodical and annual financial statements before submission to the Board focusing primarily on:
 - * Changes in accounting policies and practice
 - * Compliances of requirements of Stock Exchanges and legal requirements concerning financial statements
 - * The going-concern assumption
- III. Reviewing with the management and auditors the internal control systems.
- IV. Reviewing the internal audit programmes / system and discussing internal audit reports.
- V. Reviewing the company's financial and management policies.

III. SHAREHOLDERS GRIEVANCES & SHARE TRANSFER COMMITTEE:

There are no complaints pending as on the date of this report. Mr.P.S.Sastry, President-Finance & Company Secretary is the Compliance Officer of the Company



IV. REGISTRAR AND SHARE TRANSFER AGENTS:

Aarathi Consultants Pvt Ltd,
1-2-285, Domalguda, Hyderabad-500029.
Phone: 040 – 27634445

V. REMUNERATION COMMITTEE:

The Remuneration committee consists of two Directors; Ms. Brijween Kaur Sahney and Ms. Jasmine Sahney Pillai. The committee carries out the functions as mentioned in the listing agreement. Managing Director's remuneration details is shown in note no. 15 of notes to accounts which is reproduced below. None of the other directors were paid any remuneration or sitting fees.

(Rs. In lakhs)

Particulars	March 31, 2013	March 31 2012
Salary & Other benefits	28.80	27.60
Contributions to PF & other funds	3.46	3.31
Reimbursements	1.20	2.06
Commission	Nil	0.33
Total	33.46	33.30

VI. GENERAL BODY MEETINGS: THE LAST THREE GENERAL BODY MEETING DETAILS ARE:

Date	AGM/EGM	Time	Purpose
29-09-2012	AGM	11.00 AM	Consideration of Annual Accounts and, Declaration of Dividends and Re appointment of Directors and Auditors
19-09-2011	AGM	11.00 AM	Consideration of Annual Accounts and, Declaration of Dividends and Re appointment of Directors and Auditors
02-08-2010	AGM	11:00 AM	Consideration of Annual Accounts and, Declaration of Dividends and Re appointment of Directors and Auditors

Special Resolution and Postal Ballot : Special Resolution was passed through postal ballot process as per the provisions of Section 192A of the Companies Act, 1956. Postal Ballot was conducted and the consent of the members was obtained for delisting of Equity Shares of the Company from the stock exchanges where such securities are currently listed in terms of the Delisting Regulations, 2009. The postal ballot was conducted by the Scrutinizer Ms. Sujana Nandula, Practicing Company Secretary and her report was submitted on 22/07/2013. The summary of the results of the Postal Ballot as per Regulation 8(1)(b) of the Delisting Regulations are as under:



S.No	Particulars	No. of Postal Ballots	No. of Shares Voted	% of valid Votes cast
1	Total Postal Ballots /Votes received from the Shareholders	18	3710350	-
2	Less : Invalid Postal Ballots/Votes	0	0	-
3	Net Valid Postal Ballots / Votes received from Shareholders	18	3710350	-
4	Total Postal Ballots / Votes Assenting (only Promoters)	7	3706550	-
5	Net Valid Postal Ballot / Votes received from Public Shareholders	11	3800	100
6	Total Postal Ballots /Votes Assenting (Public Shareholders other than Promoters)	9	3500	92.11
7	Total Postal Ballots / Votes Dissenting (Public Shareholders other than Promoters).	2	300	7.89

The Chairman of the Company declared on 22/07/2013 that the resolution was passed with requisite majority.

None of the business proposed to be transacted in the ensuing AGM require passing a special resolution through Postal Ballot. No Extra ordinary General Meeting was held during the year.

VII. Disclosures in terms of related party transactions are shown in note No.14 of notes to accounts.

VIII. MEANS OF COMMUNICATION:

The Company has always promptly reported all material information including Quarterly Financial Results to the Stock Exchange where the securities of the Company are listed. The quarterly results and other information were communicated to the Shareholders by way of advertisement in newspapers.

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

This is to confirm that the Company has adopted a Code of Conduct for all the Board Members and the Senior Management. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended 31st March, 2013

For and on behalf of the Board

Place: Hyderabad
Date: 27-07-2013

B.S.Sahney
Chairman & Managing Director



Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We, B.S.Sahney, Chairman & Managing Director and P S Sastry, President-Finance & Company Secretary of REIL Electricals India Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet and Profit and Loss Account and all its schedules and notes on accounts as well as the Cash flow Statement s for the year ended 31st March, 2013.
2. To the best of our knowledge and belief,
 - (i) These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) The financial statements and other financial information included in this report present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.
3. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
5. We have indicated to the Company's Auditors and the Audit Committee of the Company's board of directors that during the year:
 - (i) There are no significant changes in internal control over financial reporting;
 - (ii) There are no significant changes in accounting policies; and,
 - (iii) There are no frauds, whether or not material that involves management or ther employees who have significant role in the Company's internal control system over financial reporting.

Hyderabad
Date: 27-07-2013

BS Sahney
Chairman & Managing Director

PS Sastry
President-Finance & Company Secretary



Auditors certificate to the members of REIL ELECTRICALS INDIA LIMITED on Compliance of the conditions of Corporate Governance for the year ended 31st March, 2013 under clause 49 of the Listing Agreement with relevant stock exchanges.

To
The Members,
REIL Electricals India Limited,
Hyderabad

We have examined the compliance of conditions of corporate governance by REIL Electricals India Limited for the year ended 31-03-2013, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that generally no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.

We further state 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 VENUGOPAL & CHENOY
CHARTERED ACCOUNTANTS;

P.V.SRIHARI
Partner
M.No.21961
FRN No: 004671S

Place: Hyderabad
Date: 27-07-2013



REIL ELECTRICALS INDIA LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2013

	Note No.	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY & LIABILITIES					
(1) Shareholder's Funds:					
(a) Share Capital	2.1	3,77,50,000		3,77,50,000	
(b) Reserves & Surplus	2.2	8,62,84,938		8,75,90,353	
			12,40,34,938		12,53,40,353
(2) Non-Current Liabilities:					
(a) Long Term Borrowings	2.3	36,53,234		67,97,607	
(b) Deferred Tax Liability(Net)	2.4	74,93,312		80,95,806	
(c) Long Term Provisions	2.5	14,37,280		14,37,280	
			1,25,83,826		1,63,30,693
(3) Current Liabilities:					
(a) Short Term Borrowings	2.6	3,42,43,049		-	
(b) Trade Payables	2.7	2,60,00,543		2,18,81,765	
(c) Other Current Liabilities	2.8	90,05,875		80,32,905	
(d) Short Term Provisions	2.9	1,45,27,117		1,35,22,219	
			8,37,76,584		4,34,36,889
Total:			<u>22,03,95,348</u>		<u>18,51,07,935</u>
II. ASSETS					
(1) Non-Current Assets:					
(a) Fixed Assets					
(i) Tangible Assets	2.10	2,96,10,382		4,42,90,510	
(b) Long-Term Loans and Advances	2.11	1,84,59,527		1,64,09,060	
(c) Other Non-Current Assets	2.12	8,46,173		8,46,175	
(d) Non-Current Investments	2.13	1,90,00,000		-	
			6,79,16,082		6,15,45,745
(2) Current Assets:					
(a) Inventories	2.14	5,53,27,116		7,48,29,418	
(b) Trade Receivables	2.15	3,82,93,070		2,99,99,969	
(c) Cash and Cash Equivalents	2.16	30,82,527		1,29,67,185	
(d) Short Term Loans and Advances	2.17	5,55,78,352		53,94,342	
(e) Other Current Assets	2.18	1,98,201		3,71,276	
			15,24,79,266		12,35,62,190
Total:			<u>22,03,95,348</u>		<u>18,51,07,935</u>
Significant Accounting Policies and Notes to Accounts	2.25				

Our Report attached,
For VENUGOPAL & CHENOY,
Chartered Accountants,

For and on behalf of the Board,

CA P.V.SRI HARI
Partner
Membership No.21961
FRN No: 004671S
Hyderabad
Date: 30.05.2013

B.S.SAHNEY
Chairman & Managing Director

JASMINE SAHNEY PILLAI
Director

P.S.SASTRY
President-Finance &
Company Secretary



REIL ELECTRICALS INDIA LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

	Note No.	Figures for the year ended March 31, 2013		Figures for the year ended March 31, 2012	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	2.19	25,06,58,984		26,67,91,458	
Less: Excise Duty		<u>2,67,26,724</u>		<u>2,42,88,515</u>	
Net Revenue from Operations			22,39,32,260		24,25,02,943
II. Other Income	2.20		18,27,555		9,83,873
III. Total Revenue(I + II)			22,57,59,815		24,34,86,816
IV. Expenses:					
Cost of Materials Consumed	2.21	12,95,04,123		14,60,06,936	
Changes in Inventories of Finished Goods & Work-in-Progress	2.22	12,24,636		(26,25,140)	
Employee Benefit Expenses	2.23	3,74,27,166		3,61,85,533	
Interest on Loans		32,06,257		7,54,879	
Loss on Sale/Adjustment of Assets		68,08,128		3,83,371	
Depreciation & Amortisation Expenses		58,56,972		59,60,825	
Other Expenses	2.24	<u>2,50,86,245</u>		<u>2,74,44,536</u>	
			20,91,13,527		21,41,10,940
V. Profit before Tax(III - IV)			1,66,46,288		2,93,75,876
VI. Tax Expense:					
Current Tax		53,92,000		70,50,000	
Deferred Tax		(602,495)		(473,965)	
Tax for earlier years				2,633,880	
			47,89,505		92,09,915
VII. Profit for the year			1,18,56,783		2,01,65,961
VIII. Earnings Per Equity Share					
Basic & Diluted			3.14		5.34
Significant Accounting Policies and Notes to Accounts	2.25				

Our Report attached,
For VENUGOPAL & CHENOY,
Chartered Accountants,

For and on behalf of the Board,

CA P.V.SRI HARI
Partner
Membership No.21961
FRN No: 004671S
Hyderabad
Date: 30.05.2013

B.S.SAHNEY
Chairman & Managing Director

JASMINE SAHNEY PILLAI
Director

P.S.SASTRY
President-Finance &
Company Secretary



NOTE-2.1: SHARE CAPITAL

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Authorised:		
a) 40,00,000 Equity Shares of Rs.10/- each (Previous Year - 40,00,000 Equity Shares of Rs.10/- each)	4,00,00,000	4,00,00,000
b) 4,00,000 - 15% Redeemable Cumulative Preference Shares of Rs.100/- each (Previous Year - 4,00,000 - 15% Redeemable Cumulative Preference Shares of Rs.100/- each)	4,00,00,000	4,00,00,000
Total:	<u>8,00,00,000</u>	<u>8,00,00,000</u>
Issued, Subscribed & Paid up:		
37,75,000 Equity Shares of Rs.10/- each, fully paid up (Previous Year - 37,75,000 Equity Shares of Rs.10/- each, fully paid up)	3,77,50,000	3,77,50,000
Total:	<u>3,77,50,000</u>	<u>3,77,50,000</u>

Additional Notes:

- 1) No new shares were issued during the current year. Hence, there is no change in number of shares outstanding as at the beginning and as at the end of the reporting period.
- 2) The details of shares in the Company held by each shareholder holding more than 5% shares.

Name of the Shareholder	Financial Year 2012-13		Financial Year 2011-12	
	% of Shareholding	No. of Shares	% of Shareholding	No. of Shares
1. B.S.Sahney	29	10,98,380	29	10,98,380
2. Brijween Kaur Sahney	17	6,49,120	17	6,49,120
3. Bhupinder Investment Co. (P) Ltd.	16	5,98,500	16	5,98,500
4. Jasmine Sahney	9	3,41,250	9	3,41,250
5. Deepika Sahney	9	3,39,950	9	3,39,950
6. Ambita Sahney	9	3,39,950	9	3,39,950
7. Anjana Thakkar	9	3,39,400	9	3,39,400



NOTE - 2.2 : RESERVES & SURPLUS

	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
a) Capital Reserve:				
Opening Balance As per last Balance Sheet		7,15,500		7,15,500
b) Share Premium Account:				
Per last Balance Sheet		4,10,14,500		4,10,14,500
c) General Reserve:				
Opening Balance	1,77,50,000		1,27,50,000	
Add: Transferred from Profit & Loss Account	<u>12,00,000</u>		<u>50,00,000</u>	
		1,89,50,000		1,77,50,000
d) Surplus in Profit & Loss Account:				
Opening Balance	2,81,10,353		2,61,06,590	
Add: Profit for the year	<u>1,18,56,783</u>		<u>2,01,65,961</u>	
	3,99,67,136		4,62,72,551	
	<u>3,99,67,136</u>		<u>4,62,72,551</u>	
Less: Appropriations:				
Proposed Equity Dividend	1,13,25,000		1,13,25,000	
Tax on Proposed Equity Dividend	18,37,198		18,37,198	
Transfer to General Reserve	<u>12,00,000</u>		<u>50,00,000</u>	
	1,43,62,198		1,81,62,198	
		<u>2,56,04,938</u>		<u>2,81,10,353</u>
Total:		<u>8,62,84,938</u>		<u>8,75,90,353</u>

NOTE - 2.3 : LONG TERM BORROWINGS	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
Vehicle Loans:				
HDFC Bank Ltd.		1,90,298		12,51,854
Axis Bank Ltd.		28,77,472		45,25,469
Tata Capital Ltd.		<u>5,85,464</u>		<u>10,20,284</u>
Total:		<u>36,53,234</u>		<u>67,97,607</u>
Additional Notes:				
Secured	0			
Unsecured	36,53,234			

NOTE - 2.4 : DEFERRED TAX LIABILITY	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
a) Deferred Tax Liability:				
1. Related to Fixed Assets	74,93,312		80,95,806	
2. Accrued Expenses	-		-	
0 3. Miscellaneous Expenses	-		-	
		74,93,312		80,95,806
b) Deferred Tax Assets:				
1. Provision for Bad & Doubtful Debts and Advances				-
2. Provision for Post-Retirement Medical Benefits	-		-	
3. Accrued Expenses	-		-	
4. Other Provisions	-		-	
Total:		<u>74,93,312</u>		<u>80,95,806</u>

NOTE - 2.5 : LONG TERM PROVISIONS	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
Provision for Royalty		14,37,280		14,37,280
Total:		<u>14,37,280</u>		<u>14,37,280</u>

NOTE - 2.6 : SHORT TERM BORROWINGS	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
OCC, PC AND BILLS DISCOUNTING				
(a) Canara Bank (Sanc. Limit-Rs.300 Lakhs)				
- Open Cash Credit		3,42,43,049		-
Total :		<u>3,42,43,049</u>		<u>-</u>



NOTE - 2.7 : TRADE PAYABLES	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Outstanding dues of Micro and Small Enterprises	-	-
Other than Micro and Small Enterprises	2,60,00,543	2,18,81,765
Total:	<u>2,60,00,543</u>	<u>2,18,81,765</u>
Disclosure relating to Micro and Small Enterprises:		
i) (a) The principal amount remaining unpaid to the supplier as at the end of the year	NIL	NIL
i) (b) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	NIL	NIL
ii) the amount of interest paid in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

NOTE - 2.8 - OTHER CURRENT LIABILITIES	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
Advances from Customers		5,75,085		9,93,724
Vehicle Loans:(Current maturities of long term debts)				
HDFC Bank Ltd.	10,61,556		8,93,719	
Axis Bank Ltd.	15,54,468		11,25,706	
Tata Capital Ltd.	4,34,820		3,17,254	
		30,50,844		23,36,679
Other Payables		53,79,946		47,02,502
Total:		<u>90,05,875</u>		<u>80,32,905</u>

NOTE - 2.9 : SHORT TERM PROVISIONS

	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
Employee Benefits:				
Provision for Gratuity		-		-
Provision for Bonus	3,64,919		3,60,021	
		3,64,919		3,60,021
Others:				
Proposed Final Dividend	1,13,25,000		1,13,25,000	
Tax on Final Dividend	18,37,198		18,37,198	
Provision for taxation	10,00,000	1,41,62,198	-	1,31,62,198
Total:		<u>1,45,27,117</u>		<u>1,35,22,219</u>

NOTE - 2.10 : TANGIBLE ASSETS

Asset	GROSS BLOCK						DEPRECIATION				NET BLOCK	
	As at April 1, 2012	Additions during the Year	Sales/ Adjustments during the Year	As at March 31, 2013	As at April 1, 2012	For the Year	Sales/ Adjustments during the Year	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Land	21,42,680	-	-	21,42,680	-	-	-	-	-	21,42,680	21,42,680	
Buildings	1,55,37,160	1,67,955	-	1,57,05,115	69,40,544	5,18,941	-	74,59,485	-	82,45,630	85,96,616	
Plant & Machinery	5,50,41,878	49,250	1,42,49,533	4,08,41,595	4,23,94,595	23,10,956	54,02,250	3,93,03,301	-	15,38,294	1,26,47,283	
Electrical Installation	38,87,805	-	-	38,87,805	30,65,224	1,84,671	-	32,49,895	-	6,37,910	8,22,581	
Furniture, Fixtures & Office Equipment	57,97,788	1,95,450	2,09,713	57,83,525	22,46,327	3,35,884	1,08,675	24,73,536	-	33,09,989	35,51,461	
Computer	76,65,345	84,550	-	77,49,895	62,02,297	2,46,290	-	64,48,587	-	13,01,308	14,63,048	
Vehicles	2,31,12,035	-	754,265	2,23,57,770	80,45,194	22,60,230	382,225	99,23,199	-	1,24,34,571	1,50,66,841	
	11,31,84,691	4,97,205	1,52,13,511	9,84,68,385	6,88,94,181	58,56,972	58,93,150	6,88,58,003	2,96,10,382	4,42,90,510	4,42,90,510	

REIL



NOTE- 2.11 : LONG TERM LOANS & ADVANCES

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Deposits:		
Deposits with Government Bodies	4,37,612	5,06,842
Others	30,750	43,350
Excise Duty Refund Claim	1,23,86,277	1,23,86,277
Advances to Suppliers	56,04,888	34,72,591
Total:	<u>1,84,59,527</u>	<u>1,64,09,060</u>
Secured, Considered good	-	-
Unsecured, Considered good	1,84,59,527	1,64,09,060
Doubtful	-	-

NOTE - 2.12 : OTHER NON-CURRENT ASSETS

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Long Term Trade Receivables	8,46,173	8,46,175
Total:	<u>8,46,173</u>	<u>8,46,175</u>
Secured, Considered good	-	-
Unsecured, Considered good	8,46,173	8,46,175
Doubtful	-	-

NOTE - 2.13 : NON - CURRENT INVESTMENTS

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
LONG -TERM INVESTMENTS (UNQUOTED) 1,33,803 Equity Shares in Daaj Hotels and Resorts Pvt Ltd of Rs.100/-each at a premium of Rs.42/- per share	1,90,00,000	-
Total:	<u>1,90,00,000</u>	<u>-</u>



NOTE - 2.14 : INVENTORIES

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Raw Materials, Components & Spares(In transit - NIL)	5,04,88,827	6,87,66,493
Work in progress	-	19,234
Finished goods	48,38,289	60,43,691
Total:	<u>5,53,27,116</u>	<u>7,48,29,418</u>
Inventories are valued at Cost or NRV whichever is lower		

NOTE - 2.15 : TRADE RECEIVABLES

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Outstanding for a period exceeding six months	3,92,500	392,502
Others	3,79,00,570	2,96,07,467
Total:	<u>3,82,93,070</u>	<u>2,99,99,969</u>
Notes: <u>Particulars of Trade Receivables:</u>		
Secured, Considered good	-	-
Unsecured, Considered good	3,82,93,070	2,99,99,969
Doubtful	-	-

NOTE - 2.16 : CASH & CASH EQUIVALENTS

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
<u>Balances with Banks:</u>		
- In Current Accounts	28,80,928	77,35,649
- In Deposit Accounts	-	5,000,000
Cash on hand	2,01,599	2,31,536
Total:	<u>30,82,527</u>	<u>1,29,67,185</u>

NOTE - 2.17 - SHORT TERM LOANS & ADVANCES

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
DEPB Receivables	1,03,478	3,84,814
Income Tax Refundable	14,04,128	17,28,351
Others	5,40,70,746	32,81,177
Total:	<u>5,55,78,352</u>	<u>53,94,342</u>
Secured, Considered good	-	-
Unsecured, Considered good	5,55,78,352	53,94,342
Doubtful	-	-



NOTE - 2.18 : OTHER CURRENT ASSETS

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Accrued Interest on Deposits with Banks	-	-
Prepaid Expenses	1,98,201	3,71,276
Total:	<u>1,98,201</u>	<u>3,71,276</u>

NOTE - 2.19 : REVENUE FROM OPERATIONS

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
<u>Sale of:</u> Auto Components	25,06,58,984	26,67,91,458
Total:	<u>25,06,58,984</u>	<u>26,67,91,458</u>

NOTE - 2.20 : OTHER INCOME

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Interest Income	79,483	2,67,126
Sale of Scrap	8,51,221	7,15,447
Misc.Income	8,96,851	1,300
Total:	<u>18,27,555</u>	<u>9,83,873</u>

NOTE - 2.21 : COST OF MATERIALS CONSUMED

	Figures at the end of March 31, 2013 Rs.	Figures at the end of March 31, 2012 Rs.
Raw Materials, Components & Spares Consumed	12,71,65,456	14,40,15,339
Stores & Tools Consumed	23,38,667	19,91,597
Total:	<u>12,95,04,123</u>	<u>14,60,06,936</u>



NOTE - 2.22 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS

	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
Work-in-Progress:				
Balance as at close of the year			19,234	
Less: Balance as at the beginning of the year	19,234		3,41,929	
		(19,234)		(322,695)
Finished Goods:				
Balance as at close of the year	48,38,289		60,43,691	
Less: Balance as at the beginning of the year	60,43,691		30,95,856	
		(12,05,402)		29,47,835
Total:		<u>(12,24,636)</u>		<u>26,25,140</u>

NOTE - 2.23 : EMPLOYEE BENEFIT EXPENSES

	Figures at the end of March 31, 2013	Figures at the end of March 31, 2012
	Rs.	Rs.
Salaries & Wages	3,06,05,392	2,94,43,494
Contribution to Provident Fund & Other Funds:		
Provident Fund, EPS & DLI	33,53,748	32,51,407
Staff Welfare Expenses	34,68,026	34,90,632
Total:	<u>3,74,27,166</u>	<u>3,61,85,533</u>



NOTE - 2.24 : OTHER EXPENSES

	Figures at the end of March 31, 2013		Figures at the end of March 31, 2012	
	Rs.	Rs.	Rs.	Rs.
Rent		4,48,014		3,14,000
Insurance		8,08,672		8,16,082
Rates & Taxes		1,98,134		6,66,325
<u>Payments to Auditors:</u>				
As Auditors(inclusive of service tax)	1,46,068		1,30,000	
For Taxation Matters(inclusive of service tax)	33,708		30,000	
For Reimbursement Expenses	8,216		18,506	
		1,87,992		1,78,506
Subscription for Books & Periodicals		1,16,762		1,54,793
Selling Expenses - Freight Outwards		40,78,640		61,92,768
- Others		10,59,359		8,72,896
Research & Development Expenses		5,71,627		2,98,085
<u>Sundries:</u>				
Security Charges		9,75,667		5,64,830
Travelling Expenses		58,96,545		57,95,766
Advertisement & Publicity		1,10,573		96,417
Postage, Telephone & Telex		9,40,174		9,09,238
Printing & Stationery		2,33,927		3,29,441
Bank Charges & Commission		5,50,088		4,36,127
Legal & Professional Fees		9,96,618		20,01,706
Transport & Conveyance		16,13,726		18,62,925
Power & Fuel		15,70,631		17,99,648
<u>Repairs:</u>				
Buildings	2,61,955		2,64,593	
Machinery	2,36,920		4,82,734	
Others	24,56,451		17,05,622	
		29,55,326		24,52,949
Miscellaneous Expenses		17,73,770		17,02,034
Total:		<u>2,50,86,245</u>		<u>2,74,44,536</u>



NOTE : 2.25 – ACCOUNTING POLICIES & NOTES TO ACCOUNTS

ACCOUNTING POLICIES:

01. GENERAL

Financial Statements are prepared under historical cost convention and in accordance with generally accepted accounting practices. Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known Liabilities and Losses.

02. FIXED ASSETS AND DEPRECIATION

- i) Fixed Assets are stated at cost, net of cenvat, less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereto; and
- ii) Depreciation is provided on fixed assets, except on Technical know how, on Straight Line Method at the rates and in the manner specified under Schedule – XIV to the Companies Act, 1956. Depreciation on technical know-how is provided at 20% per annum on straight-line method.

03. INVESTMENTS:

Long term investments are stated at cost. Provision for diminution in the value of investments, if any, will be made if it is permanent in nature. Current investments are stated at net realisable value.

04. INVENTORIES (As certified by the Management)

- a. Finished goods are valued at cost or market value which ever is lower.
- b. Work-in-progress, Raw Materials, Components, Stores, Spares etc., are valued at cost or realisable value, whichever is lower.

05. SALES:

Sales are inclusive of excise duty, and export incentives.

06. WARRANTY CLAIMS

Liability for warranty claims is charged to revenue in the year in which it is settled by the company.

07. EXPORT BENEFITS:

Export benefits are accounted on estimated amount of benefits which the company is entitled to.



08. TREATMENT OF CUSTOMS DUTY

The customs duty payable on imported material lying as at the end of the year in customs bonded warehouse is neither included in expenses nor considered in valuation of the inventories of such material/goods. The duty is accounted for on actual payment on clearance of such material/goods.

09. TREATMENT OF EXCISE DUTY

- i. Excise Duty recovered is included in 'Sales'. Excise Duty on despatches is shown as item of expense. It is included as an element of cost in the valuation of duty paid stocks.
- ii. The Cenvat credit available on Raw Material, Components, Stores and Spares and Fixed Assets are correspondingly reduced from these accounts and unutilised part of credit available is reflected as Balance with Excise department under Current Assets.

10. CONTINGENT LIABILITIES IN RESPECT OF:

	March 31,2013 Rs/Lakhs	March31,2012 Rs/Lakhs
Central Excise demands in Appeal	108.00	123.86

11. The Company has sent confirmation letters to all parties, but a few parties have to still confirm the balances.

12. Components of deferred tax include:

	March 31,2013 Rs/Lakhs	March31,2012 Rs/Lakhs
(i) Difference between IT & book depreciation.	74.93	80.96

13. Segment Reporting:

The Company recognises primary segment as the geographical location of its customers within and outside India.

	March 31,2013 Rs/Lakhs	March31,2012 Rs/Lakhs
Sales within India	2503.01	2512.61
Sales outside India	3.58	155.30
Total	2506.59	2667.91

The entire tangible fixed assets of the company are located in India.

**14. Related Parties Disclosures: (Rs in lakhs)**

The Company had transactions with the following related parties.

	March 31,2013 Rs/Lakhs	March31,2012 Rs/Lakhs
a) Mr B S Sahney, Chairman Managing Director-Remuneration	33.46	33.30
b) Time & Space Advertising Services Pvt.Ltd. - Advertisement	0.66	0.98

15. Managerial Remuneration:

	March 31, 2013 Rs/Lakhs	March 31, 2012 Rs./Lakhs
a) Salary & Other benefits	28.80	27.60
b) Contributions to PF & other funds	3.46	3.31
c) Reimbursements	1.20	2.06
d) Commission	Nil	0.33
	33.46	33.30

16. Commission on net profits in accordance with Section 198 of the Companies Act

	March 31, 2013 Rs/Lakhs	March 31, 2012 Rs./Lakhs
Profit as per P & L statement	166.46	293.76
Add: Loss on Sale of Fixed Asset	68.08	3.83
Eligible profits (before charging commission)	234.54	297.59
Eligible Commission at 5%	11.73	14.88
Provided for the year	Nil	0.33

17. Auditors remuneration and expenses:

	March 31, 2013 Rs/Lakhs	March 31, 2012 Rs./Lakhs
a) Audit Fees	1.30	1.30
b) Tax Audit Fees	0.30	0.30
c) Reimbursement of expenses	0.08	0.09

18. Capacity and Production (As certified by the Management)

Particulars	Unit	31.03.2013	31.03.2012
Licensed Capacity- Cranking Motors	No's	20000	20000
Alternators	No's	228000	228000
Installed Capacity - Cranking Motors	No's	20000	20000
Alternators	No's	90000	90000
Actual Production - Cranking Motors	No's	9616	10029
Alternators	No's	1875	1963

19. Details of Gross Turnover (Excluding DEPB Income & Excise Duties)

	March 31, 2013 Rs/Lakhs	March 31, 2012 Rs./Lakhs
Cranking Motors	1556.26	1507.33
Alternators	112.43	155.52
Spares	588.54	769.60

20. Information in regard to purchase, sales and stocks in respect of finished goods and trading stocks

Particulars	Unit	March 31.03.2013		March 31.03.2012	
Opening Stock - Starters	No's	332		38	
Alternators	No's	45	377	14	52
Sales - Starters	No's	9707		9728	
Alternators	No's	1875	11582	1929	11657
Samples & Warranties- Starters	No's	-	-	7	-
Alternators	No's	-	-	3	10
Closing Stock - Starters	No's	241	-	332	-
Alternators	No's	45	286	45	377

Note: Opening & Closing Stock represents, stock sent on free float basis (13 Nos Starters & 2 Nos Alternators).



21. Raw Material & Components Consumed

Particulars	Unit	March 31, 2013		March 31, 2012	
		Qty	Value (Rs. In Lakhs)	Qty	Value (Rs. In Lakhs)
Drive Assy	No's	12133	88.01	11639	83.70
Solenoid Assy	No's	2021	53.48	5873	155.27
Brush	No's	57272	28.55	63659	30.35
Lever Housing Assy	No's	8132	26.23	8450	26.64
Commutator	No's	10789	91.25	11798	111.62
Shaft Armature	No's	10761	37.63	11465	39.16
Copper Wire & Strip	No's	16845.63	83.50	19866.25	102.39
Field Coil	No's	51506	102.47	60919	114.13
Diode	No's	11698	2.34	12600	2.52
Others	-		770.45		748.12

22. CIF Value of Imports

	March 31, 2013 Rs/Lakhs	March 31, 2012 Rs./Lakhs
Raw Materials , Components and Parts	419.86	755.45

23. Value of imported and indigenous Raw Materials and Components used in Production :

	March 31, 2013		March 31, 2012	
	Rs/Lakhs	%	Rs/Lakhs	%
Imported	573.36	44.66	601.84	42.56
Indigenous	710.55	55.34	812.06	57.44

24. Expenditure in Foreign Currency:

	March 31, 2013 Rs/Lakhs	March 31, 2012 Rs./Lakhs
Payment for Imports	402.61	491.69
Travelling	29.27	28.42



25. Earnings in Foreign Currency :

	March 31, 2013	March 31, 2012
	Rs/Lakhs	Rs./Lakhs
F O B Value of Exports	3.64	135.09

26. Previous year's figures have been regrouped wherever necessary.

Our Report attached
for VENUGOPAL & CHENOY
Chartered Accountants

P V SRI HARI
Partner
M.No. 21961
FRN No: 004671S

Date : 30.05.2013
Hyderabad

PS SASTRY
President-Finance
& Company Secretary

For and on behalf of the Board

B S SAHNEY
Chairman & Managing Director

JASMINE SAHNEY PILLAI
Director


CASH FLOW FOR THE YEAR ENDED MARCH 31, 2013

Rs. in lakhs

	March 31, 2013		March 31, 2012	
Cash Flows from Operating Activities				
Net Profit Before Tax	166.46		293.76	
Adjustment for:				
Depreciation	58.57		59.61	
Interest Income	(0.79)		(2.67)	
Interest Expenses	32.06		7.55	
Operating Profit Before Working Capital Changes		256.30		358.25
Adjustments for Changes in Working Capital:				
(Increase)/Decrease in Trade Receivables	(82.93)		304.21	
(Increase)/Decrease in Short Term Loans & Advances	(501.84)		(7.42)	
(Increase)/Decrease in Long Term Loans & Advances	(20.50)		68.07	
Increase/(Decrease) in Trade Payable	41.19		(130.54)	
(Increase)/Decrease in Inventories	195.02		(196.93)	
(Increase)/Decrease in Other Current Assets	1.73		(2.74)	
Increase/(Decrease) in Other Current Liabilities	9.73		3.79	
Increase/(Decrease) in short term provision	10.05		(24.79)	
Increase/(Decrease) in Other Non -Current Assets	0.00	(347.55)	6.93	20.58
Cash Generated from Operations		(91.25)		378.83
Interest Paid	(32.06)		(7.55)	
Direct Taxes	(53.92)	(85.98)	(96.84)	(104.39)
Net Cash from Operating Activities		(177.23)		274.44
Cash Flows from Investing Activities				
Purchase of Fixed Assets	(4.97)		(79.24)	
Sale of Fixed Assets	93.20		5.05	
Sale/(Purchase) of Investments	(190.00)		31.00	
Interest Received	0.79	(100.98)	2.67	(40.52)
Net Cash Used for Investing Activities				
Cash Flows from Financing Activities				
Proceeds from Issue of Share Capital	-		-	
Refund of Share Application Money	-		(77.13)	
Proceeds/(Repayment) - Short Term Borrowings	342.43		-	
Proceeds/(Repayment) - Long Term Borrowings	(31.44)		25.74	
Dividend Paid	(113.25)		(113.25)	
Dividend Tax Paid	(18.37)	179.37	(18.37)	(183.01)
Net Cash from Financing Activities				
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(98.84)		50.91	
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	129.67		78.76	
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	30.83		129.67	

Our Report attached,
For VENUGOPAL & CHENOY,
Chartered Accountants,

For and on behalf of the Board,

CA P.V.SRI HARI
Partner
Membership No.21961
FRN No: 004671S

B.S.SAHNEY
Chairman & Managing Director

JASMINE SAHNEY PILLAI
Director

Hyderabad
Date: 30.05.2013

P.S.SASTRY
President-Finance &
Company Secretary

REIL Electricals India Limited

8-2-409, Road No.6, Banjara Hills, Hyderabad- 500034

FORM OF PROXY

I/We(L.F.No.....) of
..... in
the district of being a member / members of
REIL Electricals India Limited, hereby appoint.....of
..... as my / our proxy to attend and vote for me / us and
on my / our behalf at the Thirty Ninth Annual General Meeting of the company to be
held at Radisson Blu Plaza Hotel, 8-2-409, Road No. 6, Banjara Hills, Hyderabad - 500034 on
Saturday the 28th of September, 2013 at 11-00 A.M. and at any adjournment thereof.

Signed this day of 2013

Signature



Re. 1/-
Revenue stamp

Book-Post

REIL **Electricals India Limited**


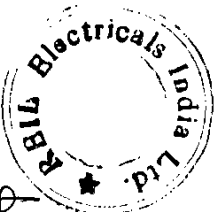
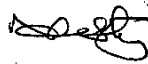
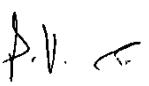
8-2-409, Road No.6, Banjara Hills, Hyderabad- 500034

REIL ELECTRICALS INDIA LIMITED

**Annual Report
2012-2013**

FORM A
(Pursuant to Clause 31 (a) of the Listing Agreement)

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1	Name of the Company	REIL Electricals India Limited
2	Annual Financial Statements for the year ended	March 31, 2013
3	Type of Audit Observation	Un-qualified
4	Frequency of Observation	N.A.
5	To be Signed by:-	
	Managing Director	 B.S. Sahney 
	President-Finance & Company Secretary	 P.S. Sastry
	Auditor of the Company	 P.V. Sri Hari For M/s. Venugopal & Chenoj, Membership No. 021961 