




**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, 2015
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 & Chenoy Membership No.021961





**BOARD OF DIRECTORS :**

Chairman & Managing Director  
Director  
Director

Mr. Bhupinder Singh Sahney (DIN: 00376152)  
Ms. Brijween Kaur Sahney (DIN: 00374606)  
Ms. Jasmine Sahney Pillai (DIN: 00374242)

President-Finance &  
Company Secretary

Mr. P.S. Sastry

Auditors

M/s. Venugopal & Chenoy,  
Chartered Accountants  
Hyderabad

Bankers

Canara Bank, Basheerbagh, Hyderabad  
Canara Bank, Muthialpet, Puducherry

Factory

Thondamanatham Village, Villianure commune  
Puducherry- 605 502

Registered Office

8-2-409, Road No.6, Banjara Hills,  
Hyderabad- 500034, Ph: 040-2335 4833  
Website: [www.reilindia.com](http://www.reilindia.com)  
E-Mail: [reilcorp@reilindia.com](mailto:reilcorp@reilindia.com)

Registrar & Share Transfer Agent

Aarhi Consultants Pvt Ltd,  
1-2-285, Domalguda, Hyderabad- 500 029  
Phone: 040-27634445 / 27638111  
Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)  
E-Mail: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

**Notice to the 41st Annual General Meeting**

NOTICE is hereby given that the 41st Annual General Meeting of the Members of REiL ELECTRICALS INDIA LIMITED (CIN: L31909TG1973PLC015448) will be held at Radisson Blu Plaza Hotel, 8-2-409, Road no.6, Banjara Hills, Hyderabad-500034, Telangana on Wednesday, the 30th September , 2015 at 11.00 am to transact the following business:

**ORDINARY BUSINESS:****Item No.1- Adoption of Financial Statements**

To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2015 and the Reports of the Board of Directors and the Auditors thereon.

**Item No.2- Appointment of Director**

To appoint a Director in place of Ms .Brijween Kaur Sahney (DIN: 00374606) who retires by rotation and is eligible for re-appointment.

**Item No.3- Appointment of Auditors**

To appoint auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution thereof:

**“RESOLVED THAT** pursuant to the provisions of the Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, M/s. Venugopal & Chenoy, Chartered Accountants, (Firm Regn No: 004671S) be and are hereby re-appointed as 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.”

**NOTES:**

1. **A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.** The Instrument appointing the proxy, in order to be effective, must be deposited at the Company’s Registered Office, duly completed and signed, not less than **Forty-Eight Hours** before the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2015 to 30.09.2015 (both days inclusive).

3. 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.
4. Members are requested to bring admission slip duly filled in along with the copy of Annual Report to the Meeting.
5. 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.
6. In terms of SEBI notification, the shares of the Company are subject to compulsory trading only in dematerialized form on the stock exchanges, hence members are requested to convert their physical share certificates into electronic form.
7. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agents, Aarthi Consultants Pvt. Ltd, 1-2-285, Domalguda, Hyderabad-500029, Ph: 040-27638111/27634445
8. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the clause 35B of the listing agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM.
9. Mr.B.S.Harikrishna, Company Secretary in Practice, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
10. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
11. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
12. In case a Member is desirous of obtaining a duplicate Ballot Form, he may send an e-mail to [reilcorp@reilindia.com](mailto:reilcorp@reilindia.com) by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Scrutinizer, Mr.B.S.Harikrishna, Company Secretary in Practice, # 1-2-597/24/3, 2nd Floor, Beside Ambica Jewellers, Lower Tank Bund Flyover Road, Domalguda, Hyderabad-500029 not later than Tuesday, September 29, 2015 (5:00 p.m. IST). Ballot Form received after this date will be treated as invalid.

13. The instructions for e-voting are as under:
- (A) In case of members receiving e-mails from NSDL (for Members whose email addresses are registered with the Company/Depositories):
- i. Open email and the attached PDF file titled “Reil e-voting” with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password. The said PDF file contains your “User ID” and “Password for E-Voting”. Please note that password is an initial password.
  - ii. Launch Internet browser by typing the URL: <http://www.evoting.nsdl.com/>
  - iii. Click on “shareholders” – “Login”
  - iv. Type in your User ID and password as initial password as mentioned as step (i) above and click Login. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Please note your new password. It is strongly recommended that you do not share your new password and take utmost care to keep your password confidential.
  - v. Home page of e-voting opens. Click on “e-Voting: Active Voting Cycles”.
  - vi. Select “EVEN” (E-voting Event Number) of REIL ELECTRICALS INDIA LIMITED for casting your vote.
  - vii. Cast your vote by selecting the appropriate option and click on “submit” and also “confirm” when prompted.
  - viii. Upon confirmation, the message “Vote cast successfully” will be displayed. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.
  - ix. Institutional Shareholders (other than Individuals, HUF,NRI etc.) are also required to send a scanned copy (PDF/ JPG Format) of the relevant Board resolution/Authority letter, etc., together with an attested specimen signature of duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through email to [bshari.cs@gmail.com](mailto:bshari.cs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [reilcorp@reilindia.com](mailto:reilcorp@reilindia.com).
- (B) In case a Member receives physical copy of the Notice of AGM (for members whose email addresses are not registered with the Company/Depository Participants(s) or requesting physical copy) :
- i) Initial password is provided in the enclosed ballot form: EVEN (E-voting Event Number) + USER ID and PASSWORD
  - ii) Please follow all steps from Sl. No. (ii) to Sl. No. (ix) above, to cast vote.
- (C) Other Instructions
- i. The e-voting period commences on Sunday, September 27, 2015 (9.00 a.m. IST) and ends on Tuesday, September 29, 2015 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on September 23, 2015 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.

- ii. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting, voting through ballot form, as well as voting at the meeting through ballot.
- iii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) . However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- iv. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- v. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.reilindia.com](http://www.reilindia.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited (“BSE”), where the shares of the Company are listed.

Place: Hyderabad  
Date: May 29, 2015

By order of the Board of Directors  
For **REiL ELECTRICALS INDIA LIMITED**  
**P.S. Sastry**  
President (Finance) &  
Company Secretary

**DIRECTORS' REPORT**

Yours Directors have pleasure in presenting their 41st Annual Report together with the Audited Accounts for the year ended March 31, 2015.

**1. Financial Results:**

(₹ In Lakhs)

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
Turnover	1600.12	2226.09
Profit before interest and depreciation & Adjustments	46.76	58.23
Interest and Finance Charges	44.04	41.24
Depreciation	28.56	49.56
Profit before Tax	(27.26)	(42.48)
Current Tax after Adjustments	1.25	7.69
Profit after Tax	(28.51)	(50.17)

**2. Dividend:**

In view of Loss, your Directors do not recommend any Dividend on the equity shares of the Company.

**3. Operations:**

During the year ended 31st March, 2015, your company's turnover was ₹1600.12 Lakhs (previous year ₹ 2226.09 Lakhs) with a net loss of ₹ 28.51 Lakhs (previous year loss of ₹50.17 Lakhs). Your company experienced slow down in off-take from some of the customers and hence decrease in turnover compared to previous year. Order book situation has not improved considerably and revenue for the year 2015-16 is expected to grow only marginally.

**4. Board Meetings:**

The Board of Directors duly met 6 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are stated in Corporate Governance Report.

**5. Share Capital:**

The paid up Equity Capital as on March 31, 2015 was ₹ 377.50 Lakhs. During the year under review the Company has not issued any securities.

**6. Directors:**

Pursuant to the provisions of the Companies Act, 2013, Ms. Birjween Kaur Sahney, Director of the Company retires from the Board by rotation and being eligible offers herself for re-appointment.

**7. 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.

**8. Listing Information:**

The Company's Shares are presently listed at BSE Ltd., Mumbai and trading is infrequent. The Listing fee to the Stock Exchange has been paid up to date.

Regarding the delisting offer made in 2014, a Public Announcement has been issued in the newspapers as required under Regulation 10(1) of the Delisting Regulations. The total number of Equity Shares tendered by the Public Shareholders in the Delisting Offer, as per the website of BSE Limited were 11,100 Equity Shares, of which the number of Offer Shares tendered at or below the Discovered Price were 9,150 Equity Shares. The number of Offer Shares tendered was less than the minimum number of Offer Shares required to be accepted by the Acquirers for the Delisting Offer to be successful in terms of Regulation 17 of the Delisting Regulations. Thus, the Delisting Offer failed in terms of Regulation 19(1) of the Delisting Regulations.

**9. Director's Responsibility:**

Pursuant to section 134(5) of the Companies Act, 2013, the Directors confirm that:

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2015, 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 and loss of the company for that period;;



- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting the fraud and other irregularities;
- (iv) the annual accounts are prepared on a going concern basis.
- (v) they had laid down internal financial controls to be followed by the company and that such internal controls are adequate and were operating effectively; and
- (vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**10. Public Deposits:**

Your Company has not accepted any deposits from the Public.

**11. Auditors:****11.1 Statutory Auditors:**

The Company's Auditors, M/s. Venugopal & Chenoy, Chartered Accountants, Hyderabad who retire at the ensuing Annual General Meeting are eligible for re-appointment. They have confirmed their eligibility under section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of the Company.

**11.2 Secretarial Audit:**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Manjula Aleti, Practicing Company Secretary to undertake the Secretarial Audit of the company. The report of the Secretarial Audit Report is annexed herewith as "**Annexure A.**"

**12. Extract of Annual Return:**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "**Annexure-B.**"

**13. Related Party Transactions:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Disclosures in terms of related party transactions are shown in note no.19 of notes to accounts.

**14. Particulars of Loans, Guarantees or Investments:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**15. Corporate Social Responsibility**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**16. Conservation of Energy, Technology absorption, foreign exchange earnings and outgo****(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: ( ₹ In Lakhs)**

(A) INFLOW - (i) Export Earnings (FOB)	5.32
(B) OUTFLOW - (i) Imports - CIF	215.38
(ii) Foreign Travel	5.94

**17. 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 197 of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**18. Remuneration ratio of the Directors/Key Managerial Personnel (KMP)/Employees**

S.No	Name	Designation	Remuneration paid FY 2014-15 ( ₹ Lakhs)	Remuneration paid FY 2013-14 ( ₹ Lakhs)	Increase in remuneration from previous year ( ₹ Lakhs)	Ratio/Times per Median of employee remuneration
1	Mr.Bhupinder Singh Sahney	Managing Director	48.39	34.05	14.34	20.44
2	Mr.P.S.Sastry	President-Finance & Company Secretary (KMP)	43.63	40.72	2.91	18.40
3	Mr. Hans Raj Mishra	CEO	40.85	38.00	2.85	16.70

**19. 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: 29-05-2015

**B.S.Sahney**  
Chairman & Managing Director

Annexure- A  
Form No. MR-3

**SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014] for the Financial Year ended 31st March, 2015

To,  
The Members,  
**REIL Electricals India Limited**  
8-2-409, Road No.6,  
Banjara Hills, Hyderabad-500034

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by REIL Electricals India Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India ( Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable)

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
- (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents ) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities ) Regulations, 1998; (Not Applicable)

I have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India. (Not Applicable)
- II. The Listing Agreement entered into by the Company with BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above subject to the following observations:

**We further report that -**

- 1. Appointment of at least one third Independent Directors on the Board as per Sec 149(4), 149(6) to (13) of the Companies Act, 2013 – Not duly complied.
- 2. Audit committee constitution under Sec 177 of Companies Act, 2013 – Not duly Complied
- 3. Constitution of Nomination Committee and Stakeholder Relationship Committee is not duly complied as per Sec 178 of the Companies Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Secunderabad  
Date: 29.05.2015

Manjula Aleti  
Company Secretary in Practice  
ACS M.No: 31661  
COP: 13279

Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE 1” and forms an integral part if this report.

**“ANNEXURE 1”**

To,  
**REIL Electricals India Limited**  
8-2-409, Road No.6,  
Banjara Hills, Hyderabad-500034

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Secunderabad  
Date: 29.05.2015

Manjula Aleti  
Company Secretary in Practice  
ACS M.No: 31661  
COP: 13279

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31.03.2015

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
CIN	L31909TG1973PLC015448
Registration Date	11/04/1973
Name of the Company	REIL ELECTRICALS INDIA LIMITED
Category / Sub-Category of the Company	Company Limited by Shares
Address of the Registered Office and contact details	8-2-409, Road No.6, Banjara Hills, Hyderabad-500034 E Mail: reilcorp@reilindia.com Tel: 040-23354833
Whether listed company	Listed in BSE Limited
Name, address and contact details of Registrar and Transfer Agent, if any	Aarathi Consultants Pvt Ltd, 1-2-285, Domalguda, Hyderabad-500029. Phone: 040 – 27634445, 27638111 Email: info@aarthiconsultants.com Website: http://www.aarthiconsultants.com

<b>II. Principal Business Activities of the Company</b>			
<b>All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:</b>			
Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Starter Motors & Alternators	31901	100%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -</b>					
Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					





<b>Sub-Total (B)(1):</b>	9000	450	9450	0	9000	450	9450	0.25	-
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	900	4950	5850	0.15	450	4950	5400	0.14	(0.01)
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	6650	46500	53150	1.41	7450	46150	53600	1.42	(0.01)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2):</b>	7550	51450	59000	1.56	7900	51100	59000	1.56	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	16550	-	68450	1.81	16900	51550	68450	1.81	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	16550	3758450	3775000	100	16900	3758100	3775000	100	-

## ii) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	B.S.Sahney	1098380	29.10	-	1098380	29.10	-	-
2	Brijween Kaur Sahney	649120	17.20	-	649120	17.20	-	-
3	Bhupinder Investment Co. (P) Ltd	598500	15.85	-	598500	15.85	-	-
4	Jasmine Sahney Pillai	341250	9.04	-	341250	9.04	-	-
5	Deepika Sahney	339950	9.01	-	339950	9.01	-	-
6	Ambita Sahney	339950	9.01	-	339950	9.01	-	-
7	Anjana Sanhey Thakker	339400	8.99	-	339400	8.99	-	-
	Total	3706550	98.2		3706550	98.2	- -	

**iii) Change in Promoters' Shareholding (Please specify, if there is no change)**

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	No Change in promoters shareholding during the year			
2	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change in promoters shareholding during the year			
3	At the end of the year	No Change in promoters shareholding during the year			

**iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

S. No	For each of the Top 10 shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	N.A.	N.A.	N.A.	N.A.	N.A.

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. No	For each of the Director & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Shareholding of Directors Mr.B.S.Sahney At the beginning of the year At the end of the year	1098380 1098380	29.10 29.10	1098380 1098380	29.10 29.10
2	Mrs.Brijween Kaur Sahney At the beginning of the year At the end of the year	649120 649120	17.20 17.20	649120 649120	17.20 17.20
3	Mrs.Jasmine Sahney Pillai At the beginning of the year At the end of the year	341250 341250	9.04 9.04	341250 341250	9.04 9.04

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	393.24	0.00	0.00	393.24
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	393.24	0.00	0.00	393.24
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	84.05	0.00	0.00	84.05
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	309.19	0.00	0.00	309.19
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	309.19	0.00	0.00	309.19

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: ( ₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr.B.S.Sahney Managing Director	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	48.39	48.39
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961		
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission as % of profit others, specify...	Nil	Nil
5.	Others, please specify Total (A)	48.39	48.39
	Ceiling as per the Act		

### B. Remuneration to other directors:

#### 1. Independent Directors

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
	-Fee for attending Board/Committee Meetings	-	- -
	-Commission	-	- -
	- Others, please Specify	-	- -
	Total (B)(1)	-	- -

**2. Other Non Executive Directors**

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
	-Fee for attending Board/Committee Meetings	-	- -
	-Commission	-	- -
	- Others, please Specify	-	- -
	Total (B)(2)	-	- -
	Total (B)= (B)(1)+ (B)(2)		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD ( ₹ in Lakhs)**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr.Hans Raj Mishra, CEO	Mr.P.S.Sastry, President-Finance & CS	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	40.85	43.63	84.48
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission as % of profit others, specify...	Nil	Nil	Nil
5.	Others, please specify			
	Total	40.85	43.63	84.48

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: -N.A.-**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	None				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	None				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	None				
Punishment					
Compounding					

**REPORT ON CORPORATE GOVERNANCE****1. 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.

**2. 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. B.S. Sahney, Chairman & Managing Director
  2. Ms. Brijween Sahney, Director
  3. Ms. Jasmine Sahney Pillai, Director
- (c). During the year financial year from 1st April, 2014 to 31st March, 2015, the Board of Directors met 6 times. The dates on which the meetings were held as follows:

Sl. No	Date of meeting	Main Agenda
1	30-05-2014	Adoption of Audited Financial Results for the year ended March 31, 2014 & Revision of remuneration payable to Mr.Bhupinder Singh Sahney, Managing Director
2	28-06-2014	Approval to delist equity shares of the Company from stock exchanges
3	11-08-2014	Un-audited Financial Results for the first quarter ended June 30, 2014
4	05-11-2014	Un-audited Financial Results for the second quarter ended September 30, 2014
5	20-12-2014	Renewal of Existing Working Capital Limits
6	30-01-2015	Un-audited Financial Results for the third quarter ended December 31, 2014

**(d). Attendance of each Director at the Board Meetings and the last AGM held on 20-09-2014:**

Name of the Director	No.of Board Meetings Attended	Last AGM attendance (Yes/No)
Mr.Bhupinder Singh Sahney	6	Yes
Mrs.Brijween Kaur Sahney	6	No
Mrs.Jasmine Sahney Pillai	6	No

**(e). Particulars of Directorships of other Companies**

Name of the Director and Designation	Name of the Company	Position
Mr.Bhupinder Singh Sahney	Daaj Hotels and Resorts Pvt Ltd Bhupinder Investment Company Pvt Ltd BS Real Estate Ventures Pvt Ltd Sahney Prestolite Electricals India Pvt Ltd	Director Director Director Director
Mrs.Brijween Kaur Sahney	Daaj Hotels and Resorts Pvt Ltd Bhupinder Investment Company Pvt Ltd BS Real Estate Ventures Pvt Ltd Sahney Prestolite Electricals India Pvt Ltd	Director Director Director Director
Mrs.Jasmine Sanhney Pillai	Bhupinder Investment Company Pvt Ltd BS Real Estate Ventures Pvt Ltd Time and Space Advertising Pvt Ltd	Director Director Director

**(f). DETAILS OF DIRECTORS PROPOSED FOR RE-APPOINTMENT**

Mrs.Brijween Kaur Sahney retires by rotation and being eligible, seeks re-appointment

Ms.Brijween Kaur Sahney, aged 71 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 ₹ 10 each in the Company.

**(g). COMMITTEE OF DIRECTORS:**

**AUDIT COMMITTEE:**

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 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.

**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. 20 of notes to accounts which is reproduced below. None of the other directors were paid any remuneration or sitting fees.

( ₹ In lakhs)

Particulars	March 31,2015	March 31, 2014
Mr.B.S.Sahney, Chairman Managing Director – Remuneration	48.39	34.05

**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

**3. GENERAL BODY MEETINGS: THE LAST THREE GENERAL BODY MEETING DETAILS ARE:**

Date	AGM/ EGM	Time	Purpose
20-09-2014	AGM	11.00AM	Consideration of Annual Accounts and Re- appointment of Directors and Auditors
28-09-2013	AGM	11.00AM	Consideration of Annual Accounts and Declaration of Dividends and Re appointment of Directors and Auditors
29-09-2012	AGM	11.00 AM	Consideration of Annual Accounts and Declaration of Dividends and Re appointment of Directors and Auditors

**4. REGISTRAR AND SHARE TRANSFER AGENTS:**

Aarhi Consultants Pvt Ltd,  
1-2-285, Domalguda, Hyderabad-500029.  
Phone: 040 – 27634445, 2763811 Website: <http://www.aarhiconsultants.com>

**5. SEBI Complaints Redressal System (SCORES):**

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

**6. 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.

**7. GENERAL SHAREHOLDER'S INFORMATION:**

AGM date, time and venue	: Wednesday, 30th September, 2015 At 11.00 AM, Radisson Blu Plaza Hotel, 8-2-409, Road No.6, Banjara Hills, Hyderabad-500034, Telangana
Financial Year	: 1st April, 2014 to 31st March, 2015
Book Closure	: 24th September, 2015 to 30th September, 2015 (Both days inclusive)
Listing on Stock Exchanges	: BSE Limited
Scrip Code	: 505817
ISIN	: INE814K01015

**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, 2015

Hyderabad  
Date: 29-05-2015

**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, 2015.
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: 29-05-2015

B.S. Sahney  
Chairman & Managing Director

P.S. 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, 2015 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 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We state that in respect of investor grievances received during the year ended 31st March, 2015, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders 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 **VENUGOPAL & CHENOY,**  
CHARTERED ACCOUNTANTS,

**(P.V.SRI HARI)**  
Partner  
M.No.21961

Date: 29-05-2015  
Place: Hyderabad

**INDEPENDENT AUDITORS' REPORT**

To  
The Members,  
**REIL Electricals India Limited.**

**Report on the 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, 2015, the Statement of Profit and Loss, and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

**Opinion**

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

- a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2015,
- b) in the case of Statement of Profit & Loss, of the Loss 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on 31st March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
    - I. There are no pending litigations for the company that will impact the financial position of the company;
    - II. There are no foreseeable losses on long-term contracts including derivative contracts;
    - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **VENUGOPAL & CHENOY,**  
CHARTERED ACCOUNTANTS,

**(P.V.SRI HARI)**  
Partner  
M.No.21961

Date: 29-05-2015  
Place: Hyderabad

**Annexure to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2015, we report that:

- (i) (a) The Company is in the process of updating its Fixed Assets register showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) According to the information given to us, the fixed assets have been physically verified during the year by the management in accordance with a programme of verification. In our opinion, the periodicity of verification is reasonable having regard to the size of the company and the nature of its assets.
- (ii) (a) As explained to us, the physical verification of inventory was carried out during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory 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 explanation given to us, the company is maintaining proper records of inventory and no discrepancies were noticed on such verification.
- (iii) The Company has not granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (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 also for the sale of goods.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us, 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, 2015, 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.
- (viii) In our opinion, the company has no accumulated losses as at 31.03.2015 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (ix) The Company has not defaulted in the repayment of dues to a financial institution during the year.
- (x) According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the company has applied the term loans disbursed during the year for the purposes for which they were granted.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **VENUGOPAL & CHENOY,**  
CHARTERED ACCOUNTANTS,

**(P.V.SRI HARI)**

Partner

M.No.21961

Date: 29-05-2015

Place: Hyderabad



**REIL ELECTRICALS INDIA LIMITED**  
**STATEMENT OF ASSETS AND LIABILITIES**

₹ in lakhs

	Note No.	As at March 31, 2015		As on March 31, 2014	
		₹	₹	₹	₹
<b>I. EQUITY &amp; LIABILITIES</b>					
<b>(1) Shareholder's Funds:</b>					
(a) Share Capital	2.01	377.50		377.50	
(b) Reserves & Surplus	2.02	880.04		944.30	
			1,257.54		1,321.80
<b>2 Non-Current Liabilities:</b>					
(a) Long Term Borrowings	2.03	18.44		30.37	
(b) Deferred Tax Liability(Net)	2.04	69.92		68.67	
			88.36		99.04
<b>3 Current Liabilities:</b>					
(a) Short Term Borrowings	2.05	279.59		345.23	
(b) Trade Payables	2.06	134.24		139.67	
(c) Other Current Liabilities	2.07	84.55		81.46	
(d) Short Term Provisions	2.08	3.38		3.17	
			501.76		569.53
Total:			<u>1,847.66</u>		<u>1,990.37</u>
<b>II. ASSETS</b>					
<b>(1) Non-Current Assets:</b>					
<b>(a) Fixed Assets</b>					
(i) Tangible Assets	2.09	193.74		259.59	
(b) Long-Term Loans and Advances	2.10	128.26		112.35	
(c) Non-Current Investments	2.11	190.00		190.00	
			512.00		561.94
<b>(2) Current Assets:</b>					
(a) Inventories	2.12	243.78		288.16	
(b) Trade Receivable	2.13	464.78		428.87	
(c) Cash and Cash Equivalents	2.14	33.33		98.10	
(d) Short Term Loans and Advances	2.15	590.90		610.34	
(e) Other Current Assets	2.16	2.87		2.96	
			1,335.66		1,428.43
Total:			<u>1,847.66</u>		<u>1,990.37</u>
Significant Accounting Policies and Notes to Accounts	2.24				

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: 29-05-2015

**JASMINE SAHNEY PILLAI**  
Director

**B.S.SAHNEY**  
Chairman & Managing Director

**P.S.SASTRY**  
President-Finance &  
Company Secretary

**REIL ELECTRICALS INDIA LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2015**

₹ in lakhs

	Note No.	Figures for the year ended March 31, 2015		Figures for the year ended March 31, 2014	
		₹	₹	₹	₹
<b>I. Revenue from Operations</b>	2.17	1,600.12		2,226.09	
Less: Excise Duty		166.61		250.91	
Net Revenue from Operations			1,433.51		1,975.18
<b>II. Other Income</b>	2.18		0.24		17.93
<b>III. Total Revenue(I + II)</b>			1,433.75		1,993.11
<b>IV. Expenses:</b>					
Cost of Materials Consumed	2.19	834.31		1,312.39	
Changes in Inventories of Finished Goods & Work-in-Progress	2.20	2.68		19.40	
Employee Benefit Expenses	2.21	353.08		369.87	
Finance Cost	2.22	44.04		41.24	
Loss on Sale/Adjustment of Assets(Net)		1.42		9.91	
Depreciation & Amortisation Expenses		28.56		49.56	
Other Expenses	2.23	196.92		233.22	
			1,461.01		2,035.59
<b>V Profit/ (Loss) before Tax(III - IV)</b>			(27.26)		(42.48)
<b>VI Tax Expense:</b>					
Current Tax		-		-	
Deferred Tax		1.25		(6.28)	
Tax for earlier years		-		13.97	
			1.25		7.69
<b>VII Profit/(Loss) for the year</b>			(28.51)		(50.17)
<b>VIII Earnings Per Equity Share</b>					
Basic & Diluted			(0.76)		(1.33)
Significant Accounting Policies and Notes to Accounts	2.24				

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

**CA P.V.SRI HARI**  
Partner  
Membership No.21961  
FRN No: 004671S  
Hyderabad  
Date: 29-05-2015

**JASMINE SAHNEY PILLAI**  
Director

For and on behalf of the Board,

**B.S.SAHNEY**  
Chairman & Managing Director

**P.S.SASTRY**  
President-Finance &  
Company Secretary

**CASH FLOW FOR THE YEAR ENDED MARCH 31,2015**

₹ in lakhs

	March 31, 2015		March 31, 2014	
<b>Net Profit/(Loss)</b>	(27.26)		(42.48)	
<b>Adjusted for</b>				
Depreciation	28.56		49.56	
(Profit) / loss on sale of fixed assets	1.42		9.91	
Provision/(reversal) for Royalty	-		(14.37)	
Interest Income	-		-	
Interest Expense	44.04		41.24	
<b>Operating profit before working capital change</b>		46.75		43.86
Adjustments for Changes in Working Capital:				
(Increase)/Decrease in Trade Receivable	(35.91)		(37.48)	
(Increase)/Decrease in Short Term Loans & Advances	19.65		1.49	
(Increase)/Decrease in Long Term Loans & Advances	(15.91)		16.19	
Increase/(Decrease) in Trade Payable	(5.43)		(120.30)	
(Increase)/Decrease in Inventories	44.38		265.11	
(Increase)/Decrease in Other Current Assets	0.09		(0.98)	
Increase/(Decrease) in Other Current Liabilities	3.10		(8.60)	
Increase/(Decrease) in Short Term Provision	0.21		(10.48)	
		10.18		104.95
<b>Cash generated from operations</b>		56.93		148.81
Interest paid	(44.04)		(41.24)	
Direct taxes paid	-	(44.04)	(13.97)	(55.21)
<b>A. NET CASH FROM OPERATING ACTIVITIES</b>		<b>12.89</b>		<b>93.60</b>
Cash flow from Investing activities				
Purchase of fixed assets	(4.42)		(43.31)	
Proceeds from sale of fixed assets	4.54		20.35	
Sale/(Purchase) of Investments	-		-	
Interest received	-		-	
<b>B. NET CASH USED IN INVESTING ACTIVITIES</b>		<b>0.12</b>		<b>(22.96)</b>
Cash Flow from Financing activities				
Proceeds/(Repayment-Short Term Borrowings)	(65.85)		2.80	
Proceeds/(Repayment-Long Term Borrowings)	(11.93)		(6.17)	
<b>C. NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(77.78)</b>		<b>(3.37)</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>(64.77)</b>		<b>67.27</b>
<b>CASH &amp; CASH EQUIVALENTS -OPENING BALANCE</b>		<b>98.10</b>		<b>30.83</b>
<b>CASH &amp; CASH EQUIVALENTS -CLOSING BALANCE</b>		<b>33.33</b>		<b>98.10</b>

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

**CA P.V.SRI HARI**  
Partner  
Membership No.21961  
FRN No: 004671S  
Hyderabad  
Date: 29-05-2015

**JASMINE SAHNEY PILLAI**  
Director

For and on behalf of the Board,

**B.S.SAHNEY**  
Chairman & Managing Director

**P.S.SASTRY**  
President-Finance &  
Company Secretary

**NOTE-2.1: SHARE CAPITAL**

₹ in lakhs

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
<b>Authorised:</b>		
a) 40,00,000 Equity Shares of Rs.10/- each	400.00	400.00
b) 4,00,000 - 15% Redeemable Cumulative Preference Shares of Rs.100/- each	400.00	400.00
Total:	<u>800.00</u>	<u>800.00</u>
<b>Issued, Subscribed &amp; Paid up:</b>		
37,75,000 Equity Shares of Rs.10/- each, fully paid up	<u>377.50</u>	<u>377.50</u>
Total:	<u>377.50</u>	<u>377.50</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 2014-15		Financial Year 2013-14	
	% of Shareholding	No. of Shares	% of Shareholding	No. of Shares
1. B.S.Sahney	29	10.98	29	10.98
2. Brijween Kaur Sahney	17	6.49	17	6.49
3. Bhupinder Investment Co. (P) Ltd.	16	5.99	16	5.99
4. Jasmine Sahney	9	3.41	9	3.41
5. Deepika Sahney	9	3.40	9	3.40
6. Ambita Sahney	9	3.40	9	3.40
7. Anjana Thakkar	9	3.39	9	3.39

**NOTE - 2.02 : RESERVES & SURPLUS**

₹ in lakhs

	Figures at the end of March 31, 2015		Figures at the end of March 31, 2014	
	₹	₹	₹	₹
<b>a) Capital Reserve:</b>				
Per last Balance Sheet		7.15		7.15
<b>b) Share Premium Account:</b>				
Per last Balance Sheet		410.15		410.15
<b>c) General Reserve:</b>				
Per last Balance Sheet		177.50		177.50
<b>d) Surplus in Profit &amp; Loss Account:</b>				
Opening Balance	349.50		399.67	
Add/(Less) : Profit/(Loss)for the year	(28.51)		(50.17)	
		320.99		349.50
Less: NIL Asset Adjustment (Notes)		(35.75)		
Note : In accordance with the Schedule-II of the Companies act 2013 , the Carrying amonut of the NIL assets on the Balance sheet date is recognised in the Opening balance of the Retained earnings.				
Total:		<u>880.04</u>		<u>944.30</u>

**NOTE - 2.03 : LONG TERM BORROWINGS**

	Figures at the end of March 31, 2015		Figures at the end of March 31, 2014	
	₹	₹	₹	₹
Vehicle Loans:				
Axis Bank Ltd.		18.08		27.57
Tata Capital Ltd. (Hypothecation of Vehicles)		0.36		2.80
Total:		<u>18.44</u>		<u>30.37</u>
Additional Notes:				
Secured		18.44		30.37
Unsecured		-		-

**NOTE - 2.04 : DEFERRED TAX LIABILITY**

	Figures at the end of March 31, 2015		Figures at the end of March 31, 2014	
	₹	₹	₹	₹
Related to Fixed Assets		69.92		68.67
Total:		<u>69.92</u>		<u>68.67</u>

## NOTE - 2.05 : SHORT TERM BORROWINGS

₹ in lakhs

	Figures at the end of March 31, 2015		Figures at the end of March 31, 2014	
	₹	₹	₹	₹
Loans Repayable on Demand Occ, Pc & Bill discounting Canara Bank (Sanc. Limit-Rs.300 Lakhs) - Open Cash Credit (Hypothecation of Inventory)		279.59		345.23
		<u>279.59</u>		<u>345.23</u>
Additional Notes:				
Secured		279.59		345.23
Unsecured		-		-

## NOTE - 2.06 : TRADE PAYABLES

	Figures at the end of March 31, 2015		Figures at the end of March 31, 2014	
	₹	₹	₹	₹
Outstanding dues of Micro and Small Enterprises Other than Micro and Small Enterprises		- 134.24		- 139.67
Total:		<u>134.24</u>		<u>139.67</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 Micro, Small and section 23 of Medium Enterprises Development Act, 2006		NIL		NIL

**NOTE - 2.07 - OTHER CURRENT LIABILITIES**

₹ in lakhs

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Advances from Customers	6.20	3.74
Vehicle Loans:(Current maturities of long term debts)		
HDFC Bank Ltd.		2.63
Axis Bank Ltd.	8.71	11.13
Tata Capital Ltd.	2.45	3.88
Loans from Related parties	0.50	0.56
Other Payables	66.69	59.52
Total:	<u>84.55</u>	<u>81.46</u>

**NOTE - 2.08 : SHORT TERM PROVISIONS**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Employee Benefits:		
Provision for Bonus	3.38	3.17
Total:	<u>3.38</u>	<u>3.17</u>

**NOTE - 2.10 : TANGIBLE ASSETS**

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2014	Additions during the Year	Sales/ Adjustments during the Year	As at March 31, 2015	As at April 1, 2014	For the Year	Sales/ Adjustments during the Year	Adjustments as per New Company Act 2013	As at March 31, 2015	As at March 31, 2014
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Land	21.43	-	-	21.43	-	-	-	-	21.43	21.43
Buildings	189.05	-	-	189.05	79.93	5.69	-	0.43	103.00	109.12
Plant & Machinery	408.47	2.84	-	411.31	408.42	0.48	-	-	408.90	0.05
Electrical Installation	38.88	-	-	38.88	34.35	-	-	4.53	38.88	4.53
Furniture, Fixtures & Office Equipment	60.92	1.52	-	62.44	27.08	3.58	-	22.63	53.29	33.84
Computer	77.86	0.06	-	77.92	68.47	0.81	-	8.16	77.44	9.39
Vehicles	172.25	-	11.44	160.81	91.02	18.00	5.48	-	103.54	81.23
<b>TOTAL</b>	<b>968.86</b>	<b>4.42</b>	<b>11.44</b>	<b>961.84</b>	<b>709.27</b>	<b>28.56</b>	<b>5.48</b>	<b>35.75</b>	<b>768.10</b>	<b>259.59</b>
2013-14	984.69	43.31	59.14	968.86	688.59	49.56	28.89	-	709.27	259.59



**NOTE- 2.10 : LONG TERM LOANS & ADVANCES**

₹ in lakhs

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Deposits:		
Deposits with Government Bodies	20.12	4.26
Others	0.36	0.31
Excise Duty Refund Claim	107.78	107.78
Total:	<u>128.26</u>	<u>112.35</u>
Secured, Considered good	-	-
Unsecured, Considered good	128.26	112.35
Doubtful	-	-

**NOTE - 2.11 : NON-CURRENT INVESTMENTS**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Investment in equity shares (unquoted) 1,33,803 equity shares in Daaj Hotels and Resorts Pvt Ltd @ Rs.100/- per share at a premium of Rs.42/- per share Note: No provision is made for diminution in the value of shares as longterm investments since is the opinion of the management, the diminution is temporary.	190.00	190.00
Total:	<u>190.00</u>	<u>190.00</u>

**NOTE - 2.12 : INVENTORIES**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Raw Materials, Components & Spares	234.83	259.17
Finished goods	8.95	28.99
Total:	<u>243.78</u>	<u>288.16</u>
Inventories are valued at Cost or NRV whichever is lower		

**NOTE - 2.13 : TRADE RECEIVABLES**

₹ in lakhs

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Outstanding for a period exceeding six months		6.10
Others	464.78	422.77
Total:	<u>464.78</u>	<u>428.87</u>
<b>Notes:</b>		
Particulars of Trade Receivables:		
Secured, Considered good	-	-
Unsecured, Considered good	464.78	428.87
Doubtful	-	-

**NOTE - 2.14 : CASH & BANK BALANCES**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Cash & Cash Equivalents:		
Balances with Banks:		
- In Current Accounts	30.31	87.62
Unclaimed Dividend	2.42	3.04
Cash on hand	0.60	7.44
Total:	<u>33.33</u>	<u>98.10</u>

**NOTE - 2.15 - SHORT TERM LOANS & ADVANCES**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Income Tax Refundable	20.84	20.84
Advances to Suppliers	15.75	21.65
Loans to Related parties	533.58	538.63
Others	20.73	29.22
Total:	<u>590.90</u>	<u>610.34</u>
Secured, Considered good	-	-
Unsecured, Considered good	590.90	610.34
Doubtful	-	-

**NOTE - 2.16 : OTHER CURRENT ASSETS**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Prepaid Expenses	2.87	2.96
Total:	<u>2.87</u>	<u>2.96</u>

**NOTE - 2.17 : REVENUE FROM OPERATIONS**

₹ in lakhs

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Sale of Auto Components	1,600.12	2226.09
Total:	<u>1,600.12</u>	<u>2226.09</u>

**NOTE - 2.18 : OTHER INCOME**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Sale of Scrap	0.05	2.08
Exchange differences (net)	0.07	1.00
Miscellaneous Income	0.12	14.85
Total:	<u>0.24</u>	<u>17.93</u>

**NOTE - 2.19 : COST OF MATERIALS CONSUMED**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Raw Materials, Components & Spares Consumed	820.52	1,289.47
Stores & Tools Consumed	13.79	22.92
Total:	<u>834.31</u>	<u>1,312.39</u>

**NOTE - 2.20 : CHANGES IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Work-in-Progress:		
Balance as at close of the year	17.36	-
Less: Balance as at the beginning of the year	-	-
	<u>17.36</u>	<u>-</u>
Finished Goods:		
Balance as at close of the year	8.95	28.99
Less: Balance as at the beginning of the year	28.99	48.39
	<u>(20.04)</u>	<u>(19.40)</u>
Total:	<u>(2.68)</u>	<u>(19.40)</u>

**NOTE - 2.21 : EMPLOYEE BENEFIT EXPENSES**

₹ in lakhs

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Salaries & Wages	297.58	299.51
Contribution to Provident Fund & Other Funds:		
Provident Fund, EPS & DLI	21.80	32.68
Staff Welfare Expenses	33.70	37.68
Total:	<u>353.08</u>	<u>369.87</u>

**NOTE - 2.22 : FINANCE COST**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Interest on Cash Credit	41.40	36.14
Interest on Vehicle Loans	2.64	5.10
Total:	<u>44.04</u>	<u>41.24</u>

**NOTE - 2.23 : OTHER EXPENSES**

	Figures at the end of March 31, 2015 ₹	Figures at the end of March 31, 2014 ₹
Rent		3.89
Insurance	5.06	6.53
Rates & Taxes	8.22	8.04
Payments to Auditors:		
As Auditors	1.50	1.50
As Tax Auditors	0.30	0.30
For Reimbursement Expenses	0.35	0.36
	2.15	2.16
Subscription for Books & Periodicals	0.85	0.68
Selling Expenses - Freight Outwards	24.87	32.62
- Others	12.65	2.27
Research & Development Expenses	1.93	3.27
Sundries:		
Security Charges	7.67	8.97
Travelling Expenses	47.53	58.59
Advertisement & Publicity	3.04	2.14
Postage, Telephone & Telex	5.97	7.22
Printing & Stationery	2.83	2.81
Bank Charges & Commission	3.80	3.72
Legal & Professional Fees	11.92	13.52
Transport & Conveyance	13.88	14.04
Power & Fuel	15.95	17.39
Repairs:		
Buildings	0.58	5.98
Machinery	2.21	4.25
Others	14.77	20.82
	17.56	31.05
Miscellaneous Expenses	11.04	14.31
Total:	<u>196.92</u>	<u>233.22</u>

**SCHEDULE 2.24 – ACCOUNTING POLICIES & NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015.****CORPORATE INFORMATION:**

REIL Electricals India Limited (the Company) was incorporated on 11th day of April, 1973 as a Public Limited Company under the provisions of The Companies Act, 1956 (The Act)

The Company is engaged in the business of manufacturing and selling of all types of auto electrical items.

**A) SIGNIFICANT ACCOUNTING POLICIES:****1. USE OF ACCOUNTING ESTIMATES**

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles in India (Indian GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual result could differ from these estimates. Any revision to such accounting estimates is recognized prospectively in future periods.

**2. INVENTORIES**

Raw materials and Packing materials are valued at cost, calculated on "First-in-First out" basis, and net realizable value.

Finished goods and Work-in-Progress are valued at lower of cost and net realizable value. Cost includes materials, labour and a proportion of appropriate overheads. Cost of finished goods includes excise duty.

Net realizable value is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion and costs to affect the sale.

**3. FIXED ASSETS AND DEPRECIATION**

Fixed Assets are carried at the cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation on fixed assets has been provided using Depreciation rate year wise based on the Useful life/Balance life of the asset as specified in Schedule II of the Companies Act, 2013. Where, during Financial Year, any addition has been made to any asset (or) where any asset has been sold, discarded, demolished or destroyed, Depreciation on such assets is calculated on Pro-

Rata basis, from the Date of such addition, up to the date on which such asset is sold, discarded or destroyed.

#### **4. SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

The treatment of contingencies and significant events occurring after balance sheet date are in accordance with AS-4 'Contingencies and Events Occurring after the Balance Sheet Date' as notified in Section 211(3C) of the Companies Act, 2013.

#### **5. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from domestic sales is recognized on delivery of products to customers from the factory of the company. Revenue from export sales is recognized when the significant risks and rewards of ownership of products are transferred to the customers, which is based upon the terms of the applicable contract. Gross Sales are exclusive of returns, applicable trade discounts and allowances and inclusive of Excise Duty and Sales Tax.

#### **6. SALES**

Sales are inclusive of excise duty, and export incentives.

#### **7. WARRANTY CLAIMS**

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

#### **8. TREATMENT OF EXCISE DUTY**

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.

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

#### **9. FOREIGN CURRENCY TRANSACTIONS AND BALANCES**

Foreign currency transactions of revenue nature are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on such foreign currency transactions settled during the year are recognized in the profit and loss account.

Monetary assets and liabilities denominated in foreign currencies as at the date of balance sheet are translated at year-end rates. The resultant exchange differences are recognized in the profit and loss account. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

## **10. INVESTMENTS**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on individual investment basis. Long-term investments are carried at cost. However, diminution in value is provided to recognize a decline, other than temporary, in the value of the long-term investments.

## **11. PROVISIONS AND CONTINGENT LIABILITIES**

Provisions are recognized when the company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash flow will be required and a reliable estimate can be made of the amount of the obligation. However, where such obligations are not likely to entail outflows in future periods and are contingent on the future outcome of events, they are disclosed as a matter of information as “Contingent Liabilities”.

## **12. TAXATION**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Deferred tax assets are reviewed at each balance sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised

## **13. EMPLOYEE BENEFITS**

### **A) PROVIDENT FUND AND FAMILY PENSION FUND**

The Contributions to Provident Fund and Employee State Insurance Schemes, which are defined contribution schemes, to the relevant funds administered and managed by the Central Government of India, are charged off to the Profit and Loss Account as and when respective funds are due. The Company has no further obligations under these plans beyond its monthly contributions.

**B) BONUS**

Short term employee benefits including bonus, as at the balance sheet date, are recognized as an expense based on the expected obligation on an undiscounted basis.

**C) GRATUITY**

The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of service. Contributions to Gratuity Fund are made to Life Insurance Corporation of India.

**B) NOTES TO ACCOUNTS :****14. CONTINGENT LIABILITIES IN RESPECT OF :**

Particulars	March 31, 2015 ₹ in Lakhs	March 31, 2014 ₹ in Lakhs
Central Excise demands in Appeal	108.00	108.00

**15. INCOME TAX :**

No provision is made towards Income Tax in view of Loss suffered during the year.

**16. DEFERRED TAX:**

Components of deferred tax include:

Particulars	March 31, 2015 ₹ in Lakhs	March 31, 2014 ₹ in Lakhs
Difference between IT & book depreciation	69.92	68.67

**17. SEGMENT REPORTING :**

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

Particulars	March 31, 2015 ₹ in Lakhs	March 31, 2014 ₹ in Lakhs
Sales within India	1594.79	2218.65
Sales outside India	5.33	7.44
Total	1600.12	2226.09



18. The Company has taken a policy with Life Insurance Group Gratuity Scheme for payment of gratuity to its employees on superannuation. The particulars as per AS-15 are given as under.

<b>Particulars of Accounting Standard(AS)-15:</b>	<b>FY 2014-15</b> ₹ in Lakhs	<b>FY 2013-14</b> ₹ in Lakhs
<b>A. Changes in the present value of the obligation:</b>		
Present value of obligation at the beginning of the year	50.07	47.46
Current Service Cost	2.15	2.61
Actuarial Gain/Loss on obligation	Nil	Nil
Present value of obligation at the end of the period	52.22	50.07

<b>B. Amounts recognised in the Statement of P&amp;L for the period:</b>		
Expenses recognised in Statement of Profit and Loss	Nil	10.92

#### 19. RELATED PARTIES DISCLOSURES :

List of Key Managerial personnel:

- (1) B.S.Sahney, Managing Director, managerial remuneration shown below:  
Relatives of Key management personnel:
  - (a) Brijween Kaur Sahney, Director
  - (b) Jasmine Pillai, Director
- Enterprises over which key management personnel or relatives exercise significant influence:
  - (a) Bhupinder Investment Co.Pvt.Ltd., - short term loan balance ₹ 363.57 lakhs.
  - (b) Daaj Hotels and Resorts Pvt.Ltd., - short term loan balance ₹.170 lakhs

The Company had transactions with the following related parties.

<b>Particulars</b>	<b>March 31, 2015</b> ₹ in Lakhs	<b>March 31, 2014</b> ₹ in Lakhs
a) Mr B S Sahney, Chairman Managing Director-Remuneration	48.39	34.05

## 20. MANAGERIAL REMUNERATION :

Particulars	March 31, 2015 ₹ in Lakhs	March 31, 2014 ₹ in Lakhs
a) Salary & Other benefits	42.00	28.80
b) Contributions to PF & other funds	5.04	3.46
c) Reimbursements	1.35	1.79
d) Commission	Nil	Nil
Total	48.39	34.05

## 21. AUDITOR'S REMUNERATION AND EXPENSES :

Particulars	March 31, 2015 ₹ in Lakhs	March 31, 2014 ₹ in Lakhs
a) Audit Fees	1.50	1.50
b) Tax Audit Fees	0.30	0.30
c) Reimbursement of expenses	0.35	0.36

## ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF COMPANIES ACT, 2013.

### 22 CAPACITY AND PRODUCTION (AS CERTIFIED BY THE MANAGEMENT)

Particulars	Unit	31.03.2015	31.03.2014
Licenced Capacity- Cranking Motors Alternators	No's	20000	20000
	No's	228000	228000
Installed Capacity - Cranking Motors Alternators	No's	20000	20000
	No's	90000	90000
Actual Production - Cranking Motors Alternators	No's	7036	10258
	No's	450	1687

**23. DETAILS OF GROSS TURNOVER (EXCLUDING DEPB INCOME & EXCISE DUTIES)**

Particulars	March 31, 2015 ₹ in Lakhs	March 31, 2014 ₹ in Lakhs
Cranking Motors	1048.22	1300.48
Alternators	20.02	129.41
Spares	365.27	545.29

**24. INFORMATION IN REGARD TO PURCHASE, SALES AND STOCKS IN RESPECT OF FINISHED GOODS AND TRADING STOCKS**

Particulars	Unit	March 31, 2015		March 31, 2014	
Opening Stock - Starters	No's	18		241	
Alternators	No's	2	20	45	286
Sales – Starters	No's	7030		10481	
Alternators	No's	449	7479	1730	12211
Samples & Warranties- Starters	No's	Nil	Nil	Nil	Nil
Alternators	No's				
Closing Stock – Starters	No's	24		18	
Alternators	No's	3	27	2	20

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

## 25 RAW MATERIAL & COMPONENTS CONSUMED

Particulars	Unit	March 31, 2015		March 31, 2014	
		Quantity	Value (₹ In Lakhs)	Quantity	Value (₹ In Lakhs)
Drive Assy	No's	8114	61.89	11255	93.26
Solenoid Assy	No's	8148	99.60	2388	54.05
Brush	No's	42683	25.48	55012	35.07
Lever Housing Assy	No's	8820	27.42	9934	32.47
Commutator	No's	8771	67.69	11483	97.07
Shaft Armature	No's	10340	32.49	11451	54.11
Copper Wire & Strip	No's	13248.13	67.68	16376.50	86.07
Field Coil	No's	41075	71.76	53227	110.50
Diode	No's	2732	0.73	11317	3.00
Others	-		382..25		766.19

## 26. CIF VALUE OF IMPORTS

	March 31, 2015 ₹ Lakhs	March 31, 2014 ₹ Lakhs
Raw Materials, Components and Parts	241.02	461.53

## 27. VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS AND COMPONENTS USED IN PRODUCTION

	March 31, 2015 ₹ Lakhs %		March 31, 2014 ₹ Lakhs %	
Imported	281.49	33.63	619.30	46.48
Indigenous	555.50	66.37	712.49	53.52

**28. EXPENDITURE IN FOREIGN CURRENCY:**

	<b>March 31, 2015 ₹ Lakhs</b>	<b>March 31, 2014 ₹ Lakhs</b>
Payment for Imports	215.38	359.39
Travelling	5.94	13.27

**29. EARNINGS IN FOREIGN CURRENCY:**

	<b>March 31, 2015 ₹ Lakhs</b>	<b>March 31, 2014 ₹ Lakhs</b>
F O B Value of Exports	5.32	7.44

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

31. Previous year's figures regrouped wherever necessary.

Our Report attached  
for **Venugopal & Chenoy**  
Chartered Accountants

**P V Sri Hari**  
Partner  
M.No. 21961  
FRN No: 004671S

Date : 29.05.2015  
Hyderabad

**P S Sastry**  
President-Finance  
& Company Secretary

For and on behalf of the Board

**B S Sahney**  
Chairman & Managing Director

**Jasmine Sahney Pillai**  
Director

**REIL ELECTRICALS INDIA LIMITED**

(Earlier known as Remy Electricals India Limited, Sahney Paris Rhone Ltd)

Regd. Office: 8-2-409, Road No.6, Banjara Hills, Hyderabad-500034, Phone: 040-2335 4833, Email: reilcorp@reilindia.com, website: www.reilindia.com, CIN: L31909TG1973PLC015448

**ATTENDANCE SLIP**

(To be presented at the entrance)

**41st Annual General Meeting on Wednesday, the 30th September, 2015 at 11.00 A.M.**

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member: \_\_\_\_\_ Signature: \_\_\_\_\_

Name of the Proxy holder: \_\_\_\_\_ Signature: \_\_\_\_\_

- 1. Only Member/Proxy holder can attend the Meeting
- 2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

**REIL ELECTRICALS INDIA LIMITED**

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**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No./Client ID No. \_\_\_\_\_ DP ID No. \_\_\_\_\_

I/We, bring the members of \_\_\_\_\_ Shares of Reil Electricals India Limited, hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_

As my proxy/our proxy to attend and vote (on a poll) for me/us on and my/our behalf at the 41st Annual General Meeting of the Company to be held on Wednesday, 30th September, 2015 at 11.00 A.M. at Radisson Blu Plaza Hotel, 8-2-409, Road No.6, Banjara Hills, Hyderabad-500034 and at any adjournment thereof in respect of such resolutions as are indicated below:

- 1. Adoption of Audited Statement of Profit & Loss, Balance Sheet, Report of Board of Directors and Auditors for year ended 31st March, 2015
- 2. To appoint Mrs. Brijween Kaur Sahney as Director
- 3. To appoint Auditors and to fix their remuneration

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015



Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder(s) \_\_\_\_\_

- Note:
- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 8-2-409, Road No.6, Banjara Hills, Hyderabad-500034, not less than 48 hours before the commencement of the Meeting.
  - 2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.

**REIL** ELECTRICALS INDIA LIMITED  
(CIN: L31909TG1973PLC015448)

**Annual Report  
2014-2015**

**REIL** **Electricals India Limited**

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