

**ANNUAL REPORT  
2009 - 2010**

**REIL** Electricals India Limited

Empty

**Board of Directors:**

**Mr BS Sahney**  
**Mrs Brijween Kaur Sahney**  
**Mrs Jasmine Pillai**

Chairman Managing Director  
Director  
Director

**Company Secretary:**

P S Sastry

**Auditors:**

Venugopal & Chenoy  
Chartered Accountants  
Hyderabad

**Bankers:**

Canara Bank, Basheerbagh, Hyderabad

**Factory:**

Thondamanatham Village,  
Villianure commune  
Pondicherry 605 502

**Registered Office:**

207, Ashoka Bhoopal Chambers  
146/A, S.P.Road,  
Secunderabad 500 003

**Registrar & Share transfer agent:**

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

## **NOTICE**

To The Members  
Reil Electricals India Limited.

NOTICE is hereby given that the Thirty sixth Annual General Meeting of the Company will be held at Company's Registered Office at 207, Ashoka Bhoopal Chambers, Secunderabad 500 003, Andhra Pradesh, on Monday, the 2<sup>nd</sup> August, 2010 at 11 am to transact the following business.

### **ORDINARY BUSINESS:**

- (1) To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2010, 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 Jasmine Pillai, who retires by rotation and being eligible offers herself for re-appointment.
- (4) To appoint Auditors. In this connection, to consider and if thought fit, to pass the following resolution with or without modifications(s).

"RESOLVED that M/s. Venugopal & Chenoy, Chartered Accountants, Hyderabad, be and are hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors of the Company."

### **SPECIAL BUSINESS:**

- (5) To pass the following resolution as a special resolution

RESOLVED THAT pursuant to the provisions of sections 198, 269, 309 and 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII as amended and subject to approval of shareholders and such other approvals as applicable, Sri BS Sahney, is reappointed as the Managing Director of the Company for a further period of 3 years with effect from 29<sup>th</sup> July 2010 at the following remuneration.

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation in the provisions relating to the payment of remuneration to the managerial persons or to Schedule XIII to the Companies Act, 1956, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, etc. within such prescribed limits."

- (i) Salary Rs. 26,40,000 per annum (Rupees twentysix lacs forty thousand per annum)
- (ii) Furnished accommodation/House rent allowance

- (iii) Perquisites including medical reimbursement, leave travel allowances, expenditure on gas, electricity and water, house maintenance etc., shall be valued as per the Income Tax rules.
- (iv) Provident fund and gratuity as per rules of the company
- (v) Commission at 5% of the net profit of the Company computed as per act.
- (vi) Mr. BS Sahney will be entitled to an annual increase of Rs. 120,000 (Rupees one lakh twenty thousand only) effective from 01.04.2011.

Resolved further that in the event of any statutory amendment or modifications or relaxations in the provisions relating to the payment of remuneration to the managerial personnel or to Schedule XIII to the Companies Act 1965, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites etc., within such prescribed limits.

FURTHER RESOLVED THAT in the event of inadequacy of profits, the remuneration payable will be restricted as per schedule XIII of the Act as amended from time to time.

Place : Hyderabad  
Date: 16<sup>th</sup> June 2010

By order of the Board  
PS Sastry  
Company Secretary

**NOTES:**

1. The share transfer books of the Company will remain closed from Wednesday, the 21<sup>st</sup> July 2010 to Monday the 2<sup>nd</sup> August 2010 (both days inclusive).
2. Explanatory statement in respect of special resolution is enclosed to this notice.
3. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy so appointed need not be a member of the Company.
4. The Proxy form duly executed and properly stamped should be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting.
5. All relevant documents, agreements in regard to special resolutions will be available and kept open for inspection during business hours on business days at the registered office of the company.

**Explanatory statement pursuant to 173(2) of the Companies Act**  
**Special business: Resolution No.5:**

Sri BS Sahney is the promoter director of the Company and is the Managing Director since inception. During the year 2007 Mr BS Sahney has been reappointed for a period of 3 years up to 28<sup>th</sup> July 2010. Board of directors at their meeting on 16<sup>th</sup> June 2010 have reappointed him as Managing Director subject to the approval of shareholders for a further period of 3 years from 29.7.2010 to 28.7.2013 at the remuneration as proposed in the resolution. Mr BS Sahney is the promoter Managing Director of the Company and has considerable experience of more than 40 years in the business and industry.

Your Company is in auto electrical industry and has been in production since 1978. Company has made operating profits for the last more than 5 years and net profit for the last more than 4 years continuously. Export earnings were Rs 73 cr and earned net foreign exchange of Rs 57 cr in the last 4 years.

Remuneration for last year was Rs.33.01 lakhs and this is considered very low in the industry for Managing Director level. Due to inadequacy of profits, remuneration commensurate with his experience could not be paid. Revised remuneration proposed only partly compensates for the efforts and contribution of Mr BS Sahney.

Hence it is proposed to pay remuneration as shown in the resolution. Provision has also been made to pay remuneration in line with the Companies Act as and when changes are incorporated in the Act/rules.

Your Directors recommend the above resolution to the shareholders.

Mr. BS Sahney, Mrs. BK Sahney and Ms. Jasmine Pillai are concerned or interested in the resolution to the extent of their shareholding. None of the other Directors are interested or concerned in the resolution.

Place: Hyderabad  
Date: 16<sup>th</sup> June 2010

By order of the Board  
PS Sastry  
Company Secretary

## **DIRECTORS' REPORT**

Your Directors are pleased to present the Annual Report for the financial year ended March 2010.

### **1. Operating & financial Performance :**

The company's turnover during the year was Rs 2051.15 lakhs compared to Rs. 3567.30 lakhs during the previous year. This decrease is on account of slow down in Indian and world economy during past 18 months.

Gross profit was Rs. 250.65 lakhs as against Rs. 693.66 lakhs during the previous year. Net profit after tax was Rs. 193.86 lakhs as against Rs. 279.01 lakhs in the previous year.

### **2. Equity Dividend:**

In view of the availability of profits, your Directors recommend for payment of dividend on equity shares at Rs 3/ per share (30%) for the year. The same will be paid to the equity shareholders after approval by shareholders at the forthcoming annual general meeting.

### **3. Prospects :**

The recession and slow down in world economy have affected the performance of company during the year ended. Your Directors see signs of revival in certain markets which should help improve the revenues of your company.

### **4. Directors :**

(i) Sri B S Sahney, Chairman Managing Director is reappointed for a further period of 3 years with effect from 29.7.2010. A resolution for shareholders approval is proposed at the ensuing annual general meeting.

(ii) Ms Jasmine Pillai, Director of the Company, retires at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

### **5. Delisting of Shares from Stock Exchange :**

The promoters of the Company have informed the Company that as per SEBI guidelines, they propose to buy shares from the remaining shareholders, which account for only 1.8% of the total share capital. Company has informed Stock Exchanges of this proposal through a letter dated 16<sup>th</sup> June 2010.

### **6. Corporate Governance:**

A report on Corporate Governance is enclosed to this report.

## **7. Director's Responsibility:**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act 2000, the Directors confirm that:

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed.

(ii) Appropriate accounting policies have been selected and applied consistently, and have 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 as at March 31, 2010, and of the Profit and Loss Account for the year ended March 31, 2010.

(iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) The annual accounts have been prepared on a going concern basis.

## **8. Public Deposits:**

Your Company has not accepted any deposits from Public.

## **9. Auditors:**

M/s. Venugopal & Chenoy, Chartered Accountants, Statutory Auditors of the Company, retire at the conclusion of this Annual General Meeting, and are eligible for reappointment.

## **10. Particulars of Employees:**

Director place on record their appreciation for the contribution of employees at all levels. Details of employees drawing salary more than the amount specified in Section 217 (2A) of the Companies Act are shown as annexure to this report.

## **11. Acknowledgements:**

The Board of Directors are thankful to Canara Bank, the Company's customers, suppliers and its shareholders for their continued assistance an support.

Place: Hyderabad

Date: 16-06-2010

On behalf of the Board

B S Sahney

Chairman



**(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. Lacs**

(A)	Inflow:		
	(i) Export earnings (FOB)	312.41	
(B)	Outflow:		
	(i) Out go by way of imports	179.69	
	(ii) Travelling	7.87	

**(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 Working Director and 2 non-working directors.

(b) The names of the Directors are:  
Mr BS Sahney, Chairman Managing Director  
Ms Brijween Sahney  
Ms Jasmine Pillai

(c) During the year the Board of Directors met 4 times:

Sl. No	Date of meeting	Main Agenda
1	1.6.2009	Audited financial statements for the year ended 31.03.2009
2	31.7.2009	Un-audited quarterly results for 1st quarter 2009-10
3	9.11.2009	Un-audited quarterly results for 2nd quarter 2009-10
4	27.1.2010	Un-audited quarterly results for 3rd quarter 2009-10

(d) Committee of Directors: The Audit Committee of Directors comprised of 2 Directors viz., Ms Jasmine Pillai, Ms BK Sahney. The committee carries out functions mentioned in the Listing Agreement and Section 292A of the Companies Act, 1956 including:

- (a) Disclosure of financial information to ensure that the financial statements are correct and adequate and credible.
- (b) Reviewing with the Management the periodical and annual financial statements before submission to the Board focusing primarily on:
  - (i) Changes in accounting policies and practice
  - (ii) Compliances of requirements of Stock Exchanges and legal requirements concerning financial statements.
  - (iii) The going-concern assumption.
- (c) Reviewing with the management and auditors the internal control systems.
- (d) Reviewing the internal audit programmes / system and discussing internal audit reports.
- (e) Reviewing the company's financial and management policies.

III. Shareholders Grievances & Share transfer Committee: The Company's shares are listed on Hyderabad and Mumbai stock exchanges. The shares are traded infrequently. Company Secretary is the Compliance Officer and there have been no Complaints from shareholders during the year.

**IV. Address of the Share Transfer Agent:**

**AARTHI CONSULTANTS PVT LTD.  
1-2-285, DOMALGUDA,  
HYDERABAD 500 029: Phone : 040 – 27634445**

V. Details of remuneration paid to the Directors during the financial year April 2009 to March 2010. Remuneration Committee consisted of two Directors; Ms BK Sahney and Jasmine Pillai. The committee carries out the functions as mentioned in the listing agreements. Working Directors remuneration details are shown in note No.18 – managerial remuneration which are reproduced below. None of the other directors were paid any remuneration or sitting fees.

	March 2010 Rs/lacs	March 31,2009 Rs /Lacs
Salary & Other benefits	25.20	21.75
Contributions to PF & other funds	3.02	2.61
Reimbursements	0.79	0.95
Commission	4.00	7.33
Total	<u>33.01</u>	<u>32.64</u>

VI. General Body Meetings: The Last three general body meeting details are:

Date	AGM/EGM	Time	Purpose
19.07.2007	AGM	11 a.m.	Annual accounts and reappointment of Directors and Auditors.
29.09.2008	AGM	3 P.m.	Annual accounts and reappointment of Directors and Auditors.
07.08.2009	AGM	11 a.m.	Annual accounts and reappointment of of Directors and Auditors.

**VII. Disclosures in terms of related party transactions are shown in note No. 17 to the accounts.**

**(C) Annexure to Directors Report:**

Information pursuant to Section 217 (2A) of the Companies Act 1956 read with Companies (particulars of employees) Rules 1975.

Name of employee	Designation & Qualifications	Age & (Exp)	Date of Commencement of employment	Gross Remuneration Rs.	Last Employment
BS Sahney	Chairman & Managing Director, B.Sc.,	69 (47)	11-4-1973	33,01,470	Managing Director, Sahney Steel & Press Works Ltd.,
PS Sastry	President-Finance & Company Secretary BA, AICWA, ACS	56 (31)	17.1.2000	28,09,666	Vice President Finance ITW Signode India Ltd., Hyderabad.
D.Bajpai	Chief Executive Officer, B.SC.(Hons), CFA, MBA	35 (12)	4-9-2006	27,34,076	Managing Director, Devkorp Automotive Pvt Ltd., Kanpur

**Note:**

- (i) None of the employees is related to any of the Directors.
- (ii) Remuneration includes salary, allowances, bonus, commission, medical reimbursements, contributions to provident and superannuation funds.

## **Certificate of Compliance with the code of Conduct Policy**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2010.

Hyderabad, Dt: 16-06-2010

BS 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 & 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 31<sup>st</sup> March, 2010.
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 other employees who have significant role in the Company's internal control system over financial reporting.

Hyderabad:  
16-06-2010

BS Sahney  
Chairman Managing Director

PS Sastry  
President-Finance & Secretary

## AUDITOR'S CERTIFICATE

To,  
The Members of  
Reil Electricals India Limited  
Hyderabad

We have examined the compliance of conditions of corporate governance by Reil Electricals India Limited for the year ended 31-03-2010 ,as stipulated min 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,

Hyderabad  
Date: 16-06-2010

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

## **Auditors' Report**

To  
The Members,  
Reil Electricals India Limited  
Hyderabad

We have audited the attached Balance Sheet of Reil Electricals India Limited, Hyderabad, as at March 31, 2010 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) In our opinion, and based on information and explanations given to us, none of the directors are disqualified as on March 31,2010, from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Accounting Policies and Notes to Accounts annexed thereto, particularly –

give the information required by the Companies Act 1956 (Act 1 of 1956) in the manner so required and give a true and fair view:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
- (b) in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For VENUGOPAL & CHENOY,  
CHARTEREDACCOUNTANTS,

Hyderabad  
Date: 16-06-2010

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

## **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, 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. 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. 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 appointed firm of Chartered Accountants as Internal Auditors. In our opinion, the scope and coverage of internal audit system of the Company is commensurate with its size and nature of its business.
8. We have been informed that the Central Government has not prescribed maintenance of Cost records for the Company's products.



9. The Company during the year is regular in depositing Provident Fund dues and Employee's 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, 2010 for a period of more than six months from the date they became payable.
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 new term loans during the year.
17. The Company during the year did not raise any short-term loans and hence the question of their usage does not arise.
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,

Hyderabad  
Date: 16-06-2010

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

**REIL ELECTRICALS INDIA LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2010**

Rs in lakhs

PARTICULARS	Schedule	31.3.2010	31.3.2009
<b>1. SOURCES OF FUNDS</b>			
i) Shareholders' funds:			
Share Capital	<b>A</b>	<b>881.87</b>	881.87
Reserves & Surplus	<b>B</b>	<b>642.46</b>	633.31
		<b>1524.33</b>	1515.18
ii) Loan Funds:			
Secured Loans	<b>C</b>	<b>5.41</b>	-
Unsecured Loans	<b>D</b>	<b>52.04</b>	10.48
		<b>57.45</b>	10.48
<b>T O T A L</b>		<b>1581.78</b>	1525.66
<b>2. APPLICATION OF FUNDS</b>			
i) Fixed Assets:			
Gross Block	<b>E</b>	<b>1123.50</b>	1055.94
Less: Depreciation		<b>627.02</b>	598.93
		<b>496.48</b>	457.01
iii) Current Assets, Loans and Advances	<b>F</b>	<b>1700.13</b>	1713.03
Less: Current Liabilities and Provisions	<b>G</b>	<b>614.83</b>	644.38
		<b>1085.30</b>	1068.65
<b>T O T A L</b>		<b>1581.78</b>	1525.66

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

**P V Sri Hari**  
Partner

Date:16-06-2010  
Hyderabad

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

For and on behalf of the Board

**B S Sahney**  
Chairman Managing Director

**Jasmine Pillai**  
Director

**REIL ELECTRICALS INDIA LIMITED**  
**PROFIT & LOSS ACCOUNT FOR YEAR ENDED MARCH 31, 2010**

Rs. in lakhs

PARTICULARS	Schedule	31.3.2010	31.3.2009
<b>INCOME</b>			
Sales		<b>2051.15</b>	3567.30
Other Income	H	<b>34.67</b>	39.24
		<b>2085.82</b>	3606.54
<b>EXPENDITURE</b>			
Materials Consumed	I	<b>1051.13</b>	1981.31
Manufacturing and Other expenses	J	<b>729.26</b>	852.01
Depreciation		<b>50.63</b>	67.75
Interest on Loans	K	<b>4.15</b>	11.81
Loss on sale of fixed assets		<b>1.69</b>	0.37
Loss on currency forward contracts		<b>5.59</b>	75.30
Bad debts written off		-	198.06
Balances written off		-	43.25
		<b>1,842.45</b>	3,229.86
Profit before Tax		<b>243.37</b>	376.68
Less: Provision for Taxation			
Income Tax-MAT		<b>41.37</b>	40.92
Fringe Benefit Tax		-	10.14
Taxation of Earlier Years		<b>8.14</b>	46.61
Profit after Tax		<b>193.86</b>	279.01
Add: Balance brought forward from previous year		<b>194.98</b>	179.22
Transfer to General Reserve		<b>50.00</b>	-
Proposed final/Interim preference dividend paid		<b>45.00</b>	225.00
Tax on Preference Dividend paid		<b>7.65</b>	38.25
Proposed Equity dividend		<b>113.25</b>	-
Equity Dividend distribution tax		<b>18.81</b>	-
<b>Surplus transferred to Balance Sheet</b>		<b>154.13</b>	194.98

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

**P V Sri Hari**  
Partner

Date:16-06-2010  
Hyderabad

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

For and on behalf of the Board

**B S Sahney**  
Chairman Managing Director

**Jasmine Pillai**  
Director

**SCHEDULE A**

<b>SHARE CAPITAL</b>		Rs. in lakhs	
PARTICULARS	31.3.2010	31.3.2009	
<b>AUTHORISED :</b>			
(a) 40,00,000 Equity Shares of Rs. 10/- each (March 31,2009 - 40,00,000 Equity Shares )	<b>400.00</b>	400.00	
(b) 4,00,000 - 15% Redeemable Cumulative Preference Shares of Rs.100/- each (March 31,2009-4,00,000-Preference Shares)	<b>400.00</b>	400.00	
	<b>800.00</b>	800.00	
<b>ISSUED,SUBSCRIBED AND PAID UP:</b>			
(a) 37,75.000 Equity shares of Rs. 10/- each fully paid up (March 31,2009 - 37,75,000 Equity Shares )	<b>377.50</b>	377.50	
(b) 3,00,000 15% Non Convertible Cumulative Redeemable Preference Shares of Rs 100/- each fully paidup (March 31,2009 - 3,00,000 Preference Shares)	<b>300.00</b>	300.00	
<b>SHARE APPLICATION MONEY</b>	<b>204.37</b>	204.37	
<b>TOTAL</b>	<b>881.87</b>	881.87	

**SCHEDULE B**

<b>RESERVES &amp; SURPLUS</b>		Rs. in lakhs	
PARTICULARS	31.3.2010	31.3.2009	
<b>CAPITAL RESERVE:</b>			
Profit on reissue of forfeited shares Per last Balance Sheet	<b>0.69</b>	0.69	
<b>SHARE PREMIUM ACCOUNT</b>			
Per last Balance Sheet	<b>410.14</b>	410.14	
<b>GENERAL RESERVE:</b>			
Per last Balance Sheet	<b>27.50</b>	27.50	
Transfer from Profit & loss account	<b>50.00</b>	-	
	<b>77.50</b>	27.50	
<b>PROFIT &amp; LOSS ACCOUNT</b>			
Surplus Transferred from Profit & Loss a/c	<b>154.13</b>	194.98	
<b>TOTAL</b>	<b>642.46</b>	633.31	

**SCHEDULE C****SECURED LOANS**

Rs. in lakhs

PARTICULARS	31.3.2010	31.3.2009
<b>WORKING CAPITAL LOANS</b>		
Canara Bank (Sanctioned Limit - Rs.95 Lakhs)		
- Open Cash Credit	<b>5.41</b>	-
<b>TOTAL</b>	<b>5.41</b>	-

Open Cash Credit, Packing Credit & Bill Discounting limits from Canara Bank are secured by Hypothecation of Raw Materials, Components, Work-in Progress, Finished Goods, Consumable Stores, Tools . Loans are also secured by personal guarantee of Managing Director, Mr B S Sahney, and a Director, Mrs Brijween Kaur Sahney.

**SCHEDULE D****UNSECURED LOANS**

Rs. in lakhs

PARTICULARS	31.3.2010	31.3.2009
Government Sales Tax Loan	<b>6.47</b>	6.47
Vehicle Loans		
1) HDFC Bank	<b>36.84</b>	-
2) Axis Bank	<b>8.73</b>	-
3) ICICI Bank Limited	-	4.01
<b>TOTAL</b>	<b>52.04</b>	10.48

**SCHEDULE E****FIXED ASSETS**

Rs. in lakhs

DESCRIPTION	GROSS BLOCK			Depreciation deletions	TOTAL DEPRECIATION	NET BLOCK	
	As at 1st April 2009	Additions/ Capitalisation	Adjustments/ Deductions/ Transfers			Total March 31, 2010	March 31, 2010
<b>Land</b>	21.42		21.42	-		21.42	21.42
<b>Buildings</b>	154.72			5.17	59.07	95.65	100.82
<b>Plant &amp; Machinery</b>	626.67	0.55		28.99	405.10	222.12	250.56
<b>Electrical Installation</b>	38.90			1.84	26.95	11.95	13.79
<b>Furniture, Fixtures &amp; Office Equipment</b>	28.45	24.82		2.38	16.74	36.53	14.09
<b>Computer</b>	69.41	3.04		3.25	56.44	16.01	16.22
<b>Vehicles</b>	99.47	65.42	9.37	9.00	62.72	92.80	40.11
<b>TOTAL</b>	<b>1039.04</b>	<b>93.83</b>	<b>9.37</b>	<b>50.63</b>	<b>627.02</b>	<b>496.48</b>	<b>457.01</b>
<b>March 31, 2009</b>	1033.26	25.53	2.85	67.75	598.93	457.01	

**SCHEDULE F****CURRENT ASSETS, LOANS AND ADVANCES**

Rs. in lakhs

PARTICULARS	31.3.2010	31.3.2009
<b>(A) CURRENT ASSETS</b>		
<b>INVENTORIES</b> (As certified by the Managing Director) (Lower of cost or net realisable value)		
Raw Materials ,Components & Spares(At cost)	429.43	371.46
Consumable Stores, Spares & Tools (At cost)	8.14	6.88
Jigs, Moulds, Dies (Cost, less depreciation)	18.18	12.88
Packing Materials (At cost)	2.26	2.54
Finished goods (At cost, which is lower than net realisable value )	5.16	44.84
Work-in-Progress (At Estimated Cost)	4.34	5.37
	<b>467.51</b>	443.97
<b>SUNDRY DEBTORS</b>		
Unsecured, considered good:		
Outstanding for more than six months	23.61	27.11
Others	507.77	549.10
	<b>531.38</b>	576.21
<b>CASH &amp; BANK BALANCES</b>		
Cash on hand	1.03	0.65
With Scheduled banks-in current accounts	13.84	62.52
- in deposit accounts	360.00	300.00
	<b>374.87</b>	363.17
<b>(B) LOANS &amp; ADVANCES</b> (Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received.		
Deposits with Government Bodies	4.95	5.37
Other Deposits	0.43	4.29
Interest receivable on Bank Deposits	33.22	19.59
Advances/claims recoverable	105.15	68.37
Other Advances	11.33	18.44
Advance Income Tax & TDS	3.69	8.15
Prepaid expenses	1.03	0.66
Excise Deposits	20.69	2.89
Excise duty refund claim	128.90	166.18
DEPB Receivables	16.98	35.74
	<b>326.37</b>	329.68
<b>TOTAL</b>	<b>1700.13</b>	1713.03

**SCHEDULE G****CURRENT LIABILITIES & PROVISIONS**

Rs. in lakhs

<b>PARTICULARS</b>	<b>31.3.2010</b>	<b>31.3.2009</b>
<b>(A) CURRENT LIABILITIES</b>		
Sundry Creditors - Materials	<b>369.46</b>	332.16
- Expenses	<b>14.41</b>	23.86
Advances from customers	<b>4.21</b>	26.25
Other liabilities	<b>31.74</b>	31.92
	<b>419.82</b>	414.19
<b>(B) PROVISIONS</b>		
Provision for gratuity	<b>34.28</b>	40.57
Provision for bonus	<b>3.73</b>	6.75
Provision for royalty	<b>6.70</b>	4.00
Provision for MAT	<b>18.24</b>	20.92
Proposed Preference Dividend	-	135.00
Dividend distribution tax	<b>18.81</b>	22.95
Proposed Dividend on equity shares	<b>113.25</b>	-
	<b>195.01</b>	230.19
<b>TOTAL</b>	<b>614.83</b>	644.38

**SCHEDULE H****OTHER INCOME**

Rs. in lakhs

<b>PARTICULARS</b>	<b>31.3.2010</b>	<b>31.3.2009</b>
Sale of Scrap	<b>4.85</b>	5.48
Miscellaneous Receipts	<b>1.31</b>	2.34
Interest received	<b>28.20</b>	31.00
Service Charges Collected	<b>0.31</b>	0.42
<b>TOTAL</b>	<b>34.67</b>	39.24



## SCHEDULE I

### MATERIALS CONSUMED

Rs. in lakhs

PARTICULARS	31.3.2010	31.3.2009
Raw Materials, Components & Spares Consumed		
Opening Stock	371.45	345.97
Add: Purchases	1068.39	2022.28
	1439.84	2368.25
Less: Closing Stock	429.43	371.45
	1010.41	1996.80
(Increase)/Decrease in Work-in-Progress and Finished Goods		
Opening Stock		
- Work-in-Progress	5.37	17.46
- Finished Goods	44.84	17.26
	50.21	34.72
Closing Stock		
- Work-in-Progress	4.33	5.37
- Finished Goods	5.16	44.84
	9.49	50.21
	40.72	(15.49)
<b>TOTAL</b>	<b>1051.13</b>	<b>1981.31</b>

**SCHEDULE J****MANUFACTURING, ADMINISTRATIVE AND OTHER EXPENSES**

PARTICULARS	Rs. in lakhs	
	31.3.2010	31.3.2009
Excise duty Paid	137.05	220.67
Stores and tools consumed	26.69	38.99
Power and fuel	13.92	15.98
Repairs	23.13	29.34
Insurance	4.97	8.86
Salaries, Wages & Other benefits	304.45	227.46
Contributions to PF and Other funds	21.84	23.29
Staff Welfare	26.14	26.16
Freight outward and packing materials	44.20	72.41
Selling Expenses	7.34	7.93
Travelling	34.33	58.08
Advertisement & Sales Promotion	0.95	1.45
Rents	3.39	3.50
Transport and Conveyance	16.12	21.60
Postage, telex and telephones	9.65	10.85
Legal and professional fees	11.18	10.49
Bank charges and commission	4.09	9.08
Security charges	5.22	5.84
Printing and Stationery	3.33	4.32
Rates and Taxes	2.95	8.50
Royalty	5.70	4.00
Subscriptions, Books and Periodicals	1.08	1.16
Auditors' Remuneration and expenses	1.38	1.62
Miscellaneous expenses	18.95	39.58
Research & Development Expenses	1.21	0.85
<b>TOTAL</b>	<b>729.26</b>	<b>852.01</b>

**SCHEDULE K****INTEREST ON LOANS**

PARTICULARS	Rs. in lakhs	
	31.3.2010	31.3.2009
Other Loans	4.15	11.81
<b>TOTAL</b>	<b>4.15</b>	<b>11.81</b>

## **`SCHEDULE 'L' – 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 modvat, less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties, taxes and incidental expenses thereto.
- 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.
- iii) As per past practice, expenditure in respect of acquisition of Fixed Assets and other expenditure including interest on loans taken for acquisition of such fixed assets incurred in setting up new units is debited to Capital Work In Progress, pending capitalisation and commencement of commercial production of these units.
- iv) Expenditure of revenue nature including interest on loans incurred during setting up of additional units are capitalised and apportioned to Fixed Assets proportionately till the date of commencement of commercial production.

#### **03. Foreign Currency Loans:**

Foreign currency Loans are converted to Rupees at the relevant rates prevailing on the date of the Balance Sheet. Difference is adjusted to Fixed Assets in case of Capital Assets and is charged off to revenue, in case of Current Assets.

#### **04. INVESTMENTS:**

Investments are stated at cost. Provision for diminution in the value of investments, if any, will be made if it is permanent in nature.

#### **05. 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.

#### **06. SALES:**

Sales are inclusive of excise duty, and export incentives.

#### **07. WARRANTY CLAIMS**

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

**08. EXPORT BENEFITS:**

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

**09. 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.

**10. 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.

**11. CONTINGENT LIABILITIES IN RESPECT OF :**

	March 31, 2010 Rs/Lakhs	March 31, 2009 Rs/Lakhs
Central Excise demands in Appeal	86.75	86.75

12. The Company did not provide for Deferred tax in view of carried forward losses.

13. The Company does not owe any sum exceeding Rs. 1.00 Lakh beyond 30 days to any party for supplies made by creditors who are SSI units.

14. Balances standing to the debit/credit of parties are subject to confirmation and reconciliation.

15. Salaries , Wages & Other benefits include Rs.77.45 lakhs paid in Voluntary Separation Scheme

16. Segment Reporting :

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

Sales within India	:	1717.63 lakhs
Sales outside India	:	333.52 lakhs
Total	:	2051.15 lakhs

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

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

The Company had transactions with the following related parties.

a) Mr B S Sahney, Chairman Managing Director-Remuneration	33.01
b) Time & Space Advertising Services Pvt.Ltd., - Printing & Stationery	0.84

**18. Managerial Remuneration :**

	Rs/Lakhs	March 31, 2009 Rs./Lakhs
a) Salary & Other benefits	25.20	21.75
b) Contributions to PF & other funds	3.02	2.61
c) Reimbursements	0.79	0.95
d) Commission	4.00	7.33
	<u>33.01</u>	<u>32.64</u>

**19. Commission on net profits in accordance with Section 198 of the Companies Act for the year ended March 31, 2010**

	<u>Rs lakhs</u>
Profit as per P & L statement (before charging commission)	247.37
	-----
Eligible profits	247.37
Commission at 5%	12.37
(restricted upto)	4.00

**20. Auditors remuneration and expenses :**

	Rs/Lakhs	March 31, 2009 Rs./Lakhs
a) Audit Fees	1.00	1.00
b) Tax Audit Fees	0.30	0.30
c) Reimbursement of expenses	0.08	0.32

**21. Information under Part II of Schedule VI to the Companies Act 1956 (as given and certified by Management)****A) Capacity and Production (Nos.)**

	*Installed Capacity		Production	
	This year	Last Year	This year	Last year
Starter Motors	20000	20000	5896	6412
Alternators	20000	20000	1546	988

\* being a technical matter not verified by auditors. The Company's products are exempt from licensing requirement as per the Statement of Industrial Policy dated 24<sup>th</sup> July, 1991, read with Notification No. S O 477 (E) dated 25.07.1991

**(B) Sales**

	*Quantity Nos.	Value Rs/Lakhs	Last Year	
			Quantity Nos.	Value Rs/Lacs
Starter Motors	5887	1132.03	6412	1232.98
Alternators	1540	60.13	984	38.42
Exports	--	333.52	--	1704.24
Other auto electrical parts	--	525.47	--	591.66
		2051.15		3567.30

(excluding free samples, replacements and items sold as spares.)

**(C) Stocks**

	*Quantity Nos.	Value Rs/Lakhs	Last Year	
			Quantity Nos.	Value Rs/Lacs
(i) Opening				
Starter Motors	11	2.07	16	3.01
Other auto electrical parts		42.77		14.25
(ii) Closing				
Starter Motors	13	2.45	11	2.07
Other auto electrical parts		2.71		42.77

**22. Consumption of Raw Materials and Components :**

	Quantity Kgs.	Value Rs/Lakhs	Last Year	
			Quantity Kgs.	Value Rs/Lakhs
Basic Raw Materials				
(a) Copper (Strips,Wires, etc.)	14111	59.88	19662	53.09
(b) Components/Spares		991.25		1928.22
		1051.13		1981.31

**23 CIF Value of Imports**

	Rs/Lakhs	Last Year Rs./Lakhs
Raw Materials , Components and Parts	362.19	484.48

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

	Rs/Lakhs	%	Last Year Rs/Lakhs	%
Imported	342.67	32.60	336.00	16.96
Indigenous	708.46	67.40	1645.31	83.04

**25. Expenditure in Foreign Currency:**

	Rs/Lakhs	Last Year Rs./Lakhs
Payment for Imports	179.69	269.99
Travelling	7.87	15.75

**26. Earnings in Foreign Currency :**

	Rs/Lakhs	Last Year Rs./Lakhs
F O B Value of Exports	312.41	1650.08

**27. Previous year's figures have been regrouped wherever necessary.**

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

**P V Sri Hari**  
Partner

Date:16-06-2010  
Hyderabad

For and on behalf of the Board

**B S Sahney**  
Chairman Managing Director

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

**Jasmine Pillai**  
Director

**28 BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE****I Registration details**

Registration No.	15448	State Code
Balance Sheet Date	31 03 2010	01
Date	Date Month Year	

**II Capital raised during the year (Amount Rs.in lacs)**

Public Issue	Rights Issue
-	-
Bonus Issue	Preferential Issue
-	-

**III Position of Mobilisation and Deployment of Funds (Amount in Rs.lakhs)**

Total Liabilities	Total Assets
<b>1581.78</b>	<b>1581.78</b>
Sources of Funds	Total Assets
Share Capital	Reserves & Surplus
<b>881.87</b>	<b>642.46</b>
Secured Loans	Unsecured Loans
<b>5.41</b>	<b>52.04</b>
Application of Funds	Investments
Net Fixed Assets	-
<b>496.48</b>	
Net Current Assets	Misc. Expenditure
<b>1085.30</b>	-

**IV Performance of Company (Amount in Rs.lacs)**

Turnover	Total Expenditure
<b>2085.82</b>	<b>1842.45</b>
Profit/-(Loss) before Tax	Profit/-(Loss) after Tax
<b>243.37</b>	193.86

(Tick appropriate box+for profit,-loss)

**V Earnings per share in Rs.**

Preference Dividend rate %	<b>5.14</b>
Equity Dividend rate %	<b>15%</b>
Generic Names of three principal products/services of company	<b>30%</b>
Item Code No (ITC Code)	<b>8511.00</b>
Product Description	Starter
Item Code No (ITC Code)	<b>8511.00</b>
Product Description	Generators/Alternators
Item Code No (ITC Code)	<b>8511.00</b>
Product Description	Regulators

For and on behalf of the Board

**B S Sahney**  
Chairman Managing Director

Date:16-06-2010  
Hyderabad

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

**Jasmine Pillai**  
Director



**CASH FLOW FOR THE YEAR ENDED MARCH 31,2010**

Rs. in lakhs

	March 31,2010	March 31,2009
<b>Net Profit/(Loss)</b>	<b>243.37</b>	376.68
Adjusted for		
Depreciation	<b>50.63</b>	67.75
Amounts/Expenses written off	-	241.31
Interest	<b>4.15</b>	11.81
Operating profit before working capital change	<b>298.15</b>	697.55
Changes in		
Trade and Other receivables	<b>48.14</b>	66.24
Inventories	<b>(23.54)</b>	(42.15)
Trade payables and Other Liabilities	<b>(29.55)</b>	(209.31)
	<b>(4.95)</b>	(185.22)
Cash generated from operations	<b>293.20</b>	512.33
Interest paid	<b>(4.15)</b>	(11.81)
Direct taxes paid	<b>(49.51)</b>	(97.67)
<b>A. NET CASH FROM OPERATING ACTIVITIES</b>	<b>239.54</b>	402.85
Cash flow from Investing activities		
Purchase of fixed assets	<b>(93.83)</b>	(25.53)
Decrease in value of fixed assets	<b>3.73</b>	0.81
Purchase of Investments		
Miscellaneous expenses to extent not written off		
Sale of Investments		
Interest received		
Dividend received		
<b>B. NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(90.10)</b>	(24.72)
Cash Flow from Financing activities		
Proceeds from Issue of share capital		
Share Premium		
Share Application Money		
Proceeds from borrowings	<b>46.97</b>	(15.31)
Dividend and dividend taxpaid	<b>(184.71)</b>	(263.25)
<b>C. NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(137.74)</b>	(278.56)
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	<b>11.70</b>	99.57
CASH & CASH EQUIVALENTS -OPENING BALANCE	<b>363.17</b>	263.60
CASH & CASH EQUIVALENTS -CLOSING BALANCE	<b>374.87</b>	363.17

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

**P V Sri Hari**  
Partner

Date:16-06-2010  
Hyderabad

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

For and on behalf of the Board

**B S Sahney**  
Chairman Managing Director

**Jasmine Pillai**  
Director

Empty

**REIL** Electricals India Limited

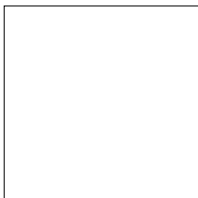
207, Ashoka Bhoopal Chambers, 146/A, S.P.Road, Secunderabad 500 003

**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 Sixth Annual General Meeting of the company to be  
held at the Registered Office of the Company on 2nd August, 2010 and at any  
adjournment thereof.

Signed this..... day of..... 2010

Signature



Re. 1/- Revenue stamp

**REIL**

**Electricals India Limited**

207, Ashoka Bhoopal Chambers,  
146/A, S.P.Road,  
Secunderabad 500 003