

To

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051

The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 023

4th October, 2017

NSE Scrip Name: EASUNREYRL / BSE Scrip Code: 532751

Dear Sirs,


Sub: Submission of Annual Report for the year 2016-17

Pursuant to Regulation 34(1) of SEBI - Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 we are submitting herewith the copy of printed Annual Report for the year 2016-17.

Please take the same on record.

Thanking you

Yours faithfully
for **Easun Reyrolle Limited**


A Kamatchinathan
Chief Financial Officer



Encl: As above

42nd
ANNUAL
REPORT
2016 - 2017



EASUN REYROLLE LIMITED



Easun Reyrolle Limited

42nd Annual Report, 2016-2017

- Chairman : Mr Hari Eswaran
- Managing Director : Mr Raj H Eswaran
- Directors : Dr W S Jones
Mr Rakesh Garg
Ms Sweta Mandora Prajapati
- Chief Financial Officer : Mr A Kamatchinathan
- Head Legal &
Company Secretary : Mr Sudhir Anand (upto 02.08.2017)
- Auditors : M/s Brahmayya & Co.,
Chartered Accountants
No.48, Masilamani Road
Balaji Nagar, Royapettah
Chennai – 600 014
- : M/s R Subramanian & Co.,
Chartered Accountants
No.6, Krishnaswamy Iyer Avenue
Luz, Chennai – 600 004
- Registered Office : “Temple Tower”, 6th Floor
No.672, Anna Salai, Nandanam,
Chennai – 600 035
- Corporate Office &
Development Centre : No.98, Sipcot Industrial Complex
Hosur – 635 126, Tamilnadu
- Factories : 1. Plot No.98,
Sipcot Industrial Complex,
Hosur – 635 126, Krishnagiri Dt., Tamilnadu
2. No.17/3, Arakere Village
Bannerghatta Road, Bangalore – 560 076
3. Plot No.147/148, Harohalli Industrial Area,
2nd Phase, Madamaranahalli Village,
Harohalli Hobli, Kanakpura Taluk,
Ramnagara Dt. Karnataka
- Registrar and Transfer Agents : Integrated Registry Management Services Pvt Ltd.,
2nd Floor, “Kences Towers”
No.1, Ramakrishna Street, North Usman Road
T Nagar, Chennai – 600 017

Easun Reyrolle Limited
42nd Annual Report – 2016-17

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Easun Reyrolle Limited



Regd. Office: “Temple Tower”, VI Floor, 672, Anna Salai, Nandanam, Chennai – 600 035
Ph: +91-44-24346425 / Fax No.+91-44-24346435 / E-mail: sec@easunreyrolle.com
CIN No.L31900TN1974PLC006695

Notice to Shareholders

Notice is hereby given that the Forty Second Annual General Meeting of the Members of Easun Reyrolle Limited will be held on 30th September, 2017 at 10.00 a.m. at Hotel Ambassador Pallava, 53, Montieth Road, Chennai 600 008, to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2017, the Balance Sheet as at 31st March, 2017 and the reports of Board of Directors and Auditors thereon
2. To appoint a Director in place of Mr Hari Eswaran who retires by rotation and is eligible for re-appointment.
3. Appointment of Statutory Auditors

To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 47th Annual General Meeting and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force, and such other applicable provisions, if any, M/s. K S Rao & Co., Chartered Accountants, (Firm Registration Number 003109S) be and are hereby appointed as the Statutory Auditor of the Company in place of the retiring Auditors M/s Brahmayya & Co., Chartered Accountants, Chennai (Registration Number 000511S) and M/s R Subramanian & Co, Chartered Accountants, Chennai (Registration Number 004137S), to hold Office for a term of five consecutive financial years, from the conclusion of this 42nd Annual General Meeting of the Company till the conclusion of the 47th Annual General Meeting, subject to ratification of the appointment at every Annual General Meeting, on such remuneration plus service tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as may be mutually agreed upon by the Board of Directors and the Auditors.

Special Business

Item No. 4

Increase in borrowing limits

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT in supersession of the special resolution passed by the Members of the Company at the 39th Annual General Meeting of the Company on 29th September, 2014 and pursuant to the provisions of Section 180(1)(c)

and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors (hereinafter referred to “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company to borrow any sum or sums of money from time to time at its discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other Persons, Firms, Bodies Corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose), subject to such aggregate borrowings not exceeding the amount which is Rs.450 crores (Rupees Four Hundred and Fifty crores only) over and above the aggregate of the paid-up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.

Item No. 5

Apporval under section 180(1)(a) of Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the Special Resolution passed by the Members of the Company at the 39th Annual General Meeting of the Company on 29th September, 2014 and pursuant to the provisions of Section 180(1)(a) of Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any

Committee of the Board) for creation of charge / mortgage / pledge / hypothecation / security in addition to existing charge / mortgage / pledge / hypothecation / security, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties, tangible or intangible assets of the Company, both present and future and / or the whole or any part of the undertaking(s) of the Company, as the case may be in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed / to be availed by the Company by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and / or nonconvertible debentures with or without detachable or non-detachable warrants or other debt instruments), issued / to be issued by the Company from time to time, subject to the limits approved under Section 180(1)(c) of the Act together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, all other monies payable by the Company to the concerned lenders.

RESOLVED FURTHER THAT that the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any Director(s) or any other Officer(s) of the Company to give effect to the above resolution.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to above resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved ratified and confirmed in all respects.

By Order of the Board
for Easun Reyrolle Limited

A Kamatchinathan
Chief Financial Officer

Place : Chennai

Date : 24th August, 2017

Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning item of Special Business is annexed hereto.
2. Any Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a member. A Proxy so appointed shall not have any right to speak at the Meeting. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
3. Members holding shares in physical form are requested to communicate change in their addresses, if any, to our Registrar and Share Transfer Agents, Integrated Registry Management Services Pvt Ltd., 2nd Floor, “Kences Towers”, No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017, Telephone No.044-28140801-803, E-mail - corpserv@integratedindia.com.
4. Members holding shares in demat form may inform the change in address or other particulars to their Depository Participants.
5. Members are also requested to immediately notify their email IDs to their respective DPs or the RTA or to the Company, as the case may be, to enable the Company to send all notices and documents through electronic mode in view of the Government’s recent green initiative regarding the service of various documents by electronic mode instead of in physical mode.
6. Electronic copy of the Notice of the 42nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 42nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that the Notice of the 42nd Annual General Meeting and the Annual Report for the year 2016-17 will also be available on the Company’s website www.easunreynolle.com for their download.
7. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days during the business hours up to the date of the Meeting.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September, 2017 to 30th September, 2017 (both days inclusive).
9. Members / Proxies are requested to bring the Attendance Slip with them duly filled in and handover the same at the entrance of the Meeting Hall. Members are requested to bring their copy of Annual Report to the Meeting.

10. In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed there under, and as per Regulation 44 of the SEBI (LODR) Regulations, 2015 the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice:
- a) The facility for voting, through ballot paper shall be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 - b) The “cut-off date” for determining the eligibility for voting either through electronic voting system or ballot is fixed as 23rd September, 2017.
 - c) The e-voting period commences from 27th September, 2017 at 9.00 a.m. and ends on 29th September, 2017 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period Shareholders’ of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., 23rd September, 2017 shall be entitled to avail the facility of remote e-voting.

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
- i) Open the e-mail and also open PDF file namely “ERL- e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii) Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii) Click on Shareholder – Login.
 - iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi) The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii) Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii) Select “EVEN” (E-Voting Event Number) of Easun Reyrolle Limited. Now you are ready for e-voting as Cast Vote page opens.
 - ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi) Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority letter, etc., together with attested specimen signature of the duly

authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to erl.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in.

- xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.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 / Depositories):

- i) Initial password is provided in the enclosed attendance slip: EVEN (E-Voting Event Number), user ID and password.
- ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

C. Other Instructions: / Details

- i) Mr. G Ramachandran, ACS No.9865, COP No.3056, Practicing Company Secretary, M/s G Ramachandran & Associates, Chennai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- ii) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- iii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.easunreynolle.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 42nd Annual General Meeting of the Company, (i.e.) on or before 2nd October, 2017 and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By order of the Board
For Easun Reyrolle Limited

A Kamatchinathan
Chief Financial Officer

Place : Chennai

Date : 24th August, 2017

Corporate Identification number: L31900TN1974PLC006695

Registered Office:

"Temple Tower" VI Floor

672, Anna Salai, Nandanam

Chennai – 600 035

Ph: +91 – 44 – 24346425

Fax: +91 – 44 – 24346435

Email: sec@easunreynolle.com

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

The following Explanatory Statement sets out material facts relating to the Special Business mentioned in the accompanying Notice of the 42nd Annual General Meeting of the Company to be held on 30th September, 2017 at 10.00 a.m. at Hotel Ambassador Pallava, 53, Montieth Road, Chennai 600 008.

Item No. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

As per the provisions of Section 139 of Companies Act, 2013 (the “Act”) read with rules made thereunder, no listed Company can appoint or re-appoint an audit firm as statutory auditor for more than two consecutive terms of five years. The Act further prescribes that the Company has to comply with these provisions within three years from the commencement of the Act.

M/s. Brahmayya & Co., Chartered Accountants (Firm Registration No.000511S), and M/s. R Subramanian & Co., Chartered Accountants (Firm Registration No.004137S) existing Joint Statutory Auditors have been in office for more than ten years. As per second proviso to Section 139(2) of the Companies Act, 2013 (‘the Act’), a transition period of three years from the commencement of the Act was provided to appoint a new auditor when the existing audit firm has completed two terms of five consecutive years. In compliance with the provisions of the Act, the Company will have to appoint a new auditor in place of the existing Joint Statutory Auditors by 31st March, 2017.

The Board of Directors has, based on the recommendation of the Audit Committee at their meeting held on 24th August, 2017, proposed the appointment of M/s. K S Rao & Co., Chartered Accountants, (Firm Registration Number 003109S), as the Statutory Auditor of the Company in place of the existing Joint Statutory Auditors to hold office from the conclusion of this 42nd AGM until the conclusion of 47th AGM of the Company, subject to ratification by the members at every AGM.

M/s. K S Rao & Co., Chartered Accountants, (Firm Registration Number 003109S), have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financial or otherwise, in this resolution.

The Board recommends the resolution set forth for the approval of the members.

Special Business

Item No 4 & 5

The Members of the Company at the 39th Annual General Meeting held on 28th September, 2014, authorised the Board of Directors (which term shall be deemed to include any Committee of the Board) to borrow money(ies) on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) for a sum not exceeding Rs.300 crores (Rupees Three Hundred crores only), over and above the aggregate of the paid-up share capital and free reserves of the Company.

Keeping in view of your Company's business requirements and growth plans, it is considered desirable to increase the said borrowing limits upto Rs.450 crores (Rupees Four Hundred and Fifty Crores only) under the provisions of Section 180(1)(c) of the Companies Act, 2013 (the "Act"). It is therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 as set out at Item No.4 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company.

The borrowings by a Company, in general, are required to be secured by mortgage or charge on all or any of the moveable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board from time to time, in consultation with the lender(s). Your consent is required under the provisions of Sections 180(1)(c) and 180(1)(a) of the Act, to increase the borrowing limits and to mortgage and / or create a charge on any of the moveable and / or immovable properties and / or the whole or any part of the undertaking(s) of your Company to secure its borrowings.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested in the said resolution.

The Board recommends the resolution set forth for the approval of the members.

By order of the Board
For Easun Reyrolle Limited

A Kamatchinathan
Chief Financial Officer

Place : Chennai
Date : 24th August, 2017

Financial highlights for 10 years

[Rupees in lacs]

Sl. No.	Particulars	Year ended 31 st March									
		2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
1	Sales & Other Income	8,990	9,967	12,658	26,557	31,397	34,522	30,255	32,244	17,232	20,762
2	Operating Expenditure	8,360	9,263	12,128	23,898	26,921	31,277	28,581	25,262	15,863	16,606
3	Earning/Profit before interest, depreciation and tax (EBIDTA)	630	704	530	2,659	4,476	3,244	1,674	6,982	1,369	4,156
4	Less: Interest	3,221	2,799	2,645	3,023	2,342	2,208	909	604	489	408
5	Less: Depreciation	1,822	1,942	2,051	2,623	2,302	1,464	1,081	766	514	385
6	Profit before tax	(4,413)	(4,037)	(4,166)	(2,987)	(168)	(427)	(316)	5,612	366	3,363
7	Exceptional Items	79	(802)	(601)	-	-	-	-	-	-	-
8	Less: Current tax	-	-	(430)	84	42	162	222	1,101	96	805
9	Less: Deferred tax	-	-	-	-	147	136	183	-	18	6
10	Less: Fringe benefit tax	-	-	-	-	-	-	-	-	24	24
11	Profit after tax	(4,492)	(4,839)	(4,336)	(3,070)	(357)	(725)	(722)	4,511	228	2,528
12	(Less) / Add : Share of minority interest	-	-	(288)	(40)	-	(24)	-	(15)	43	-
13	Net profit after share in minority interest	(4,492)	(4,839)	(4,049)	(3,110)	(357)	(701)	(722)	4,496	271	2,528
14	Add: Balance brought forward	(15,720)	(10,881)	(5,255)	(2,145)	(1,787)	(939)	173	649	1,114	202
15	Profit available for appropriation	(21,834)	(15,720)	(10,881)	(5,255)	(2,144)	(1,639)	(549)	5,145	1,385	2,730
16	Less: Proposed dividend on equity shares	-	-	-	-	-	42	249	831	415	510
17	Less: Interim dividend on equity shares	-	-	-	-	-	-	-	-	-	102
18	Less: Tax on dividends	-	-	-	-	-	7	41	141	71	104
19	Less: Transfer to General Reserve	-	-	-	-	-	100	100	4,000	250	1,500
20	Surplus carried to balance sheet	(21,834)	(15,720)	(10,881)	(5,255)	(2,144)	(1,788)	(939)	173	649	515

Note : Financial highlights shown are after consolidating the accounts of all subsidiary companies.

Directors' Report

To the Members

Your Directors are pleased to present the 42nd Annual Report, with the statement of the audited accounts for the financial year ended 31st March, 2017.

1. Financial Performance

The standalone and consolidated audited financial results for the year ended 31st March, 2017 are as follows:

[Rupees in lacs]

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Sales and Other Income	3,259	4,173	8,990	9,967
Earnings before interest, Depreciation and Tax (EBIDTA)	(696)	(223)	630	704
Depreciation	627	731	1,822	1,942
Interest	3,185	2,732	3,221	2,799
Profit / (Loss) before tax & Exceptional Items	(4,781)	(3,686)	(4,413)	(4,037)
Exceptional Items	79	801	79	(802)
Profit / (Loss) before Tax	(4,860)	(4,487)	(4,492)	(4,839)
Provision for Taxation	-	-	-	-
Net Profit / (Loss)	(4,860)	(4,487)	(4,492)	(4,839)
Minority Interest	-	-	-	-
Net Profit / (Loss) after taxes, minority interest	(4,860)	(4,487)	(4,492)	(4,839)

Transmission and Distribution sector outlook

Most of the Power Distribution Companies are struggling with huge financial losses. Due to these problems, the DISCOMS have reduced their T&D Equipment purchases, drastically and it has deeply impacted T&D Sector. To resolve distribution sector issue, the Government has launched Ujwal Discom Assurance Yojana (UDAY) Scheme. It empowers DISCOMs with the opportunity to break even in the next 2-3 years. This is through four initiatives (i) Improving operational efficiencies of DISCOMs; (ii) Reduction of cost of power; (iii) Reduction in interest cost of DISCOMs; (iv) Enforcing financial discipline on DISCOMs through alignment with State finances.

Post the launch of the UDAY Scheme by the Ministry of Power which has been a game changer for the T&D sector, the Electricity Boards and distribution companies will soon turn around and start making profits which will result in your Company getting business from State Electricity Boards and DISCOMS in the near future.

Your company has been facing losses for the last four years which is mainly due to its operating cycle getting affected. The reason for this is mainly due to termination of certain projects in some of the states where the Company has its operations. However, the Company's main focus has shifted from Projects to Equipment manufacturing which has huge potential due to the various positive developments scheme formulated by the Government including the big push towards Renewable Energy which has seen an exponential growth with Government targeting Renewable Energy power from the present 57,260 MW to 1,15,326 MW by 2022.

Fund raising initiatives

Certain investors have evinced interest to infuse the much needed leverage to turnaround the Company in the near future. The Company hopes to increase revenue and reduce losses in the next financial year and in the subsequent years thereafter.

As of December 2016, gross Non-Performing Assets (“NPA”) for public and private sector banks stood at a staggering figure of USD 10 billion (approximately). Your Company has been classified under this category and has been taking efforts to convince the Banks. The ongoing dialogue with the bankers is mainly affected due to the new RBI Ordinance whereby in an attempt to remove the practical challenges faced by lenders the Corrective Action Plan (CAP) percentage of affirmative votes needed to finalize and implement has been lowered from erstwhile 75% of the creditors in value and 60% of creditors by number to a minimum of 60% of creditors by value and 50% of creditors by number, in the Joint Lenders Forum (JLF).

In line with the new law, the Company is also in advanced discussions with Investors who are hoping for a successful outcome from the Bankers in order to revive the Company from the present crisis situation.

2. Dividend

Your Directors do not recommend payment of dividend for the year under review on equity shares in view of the loss incurred.

3. Management Discussions and Analysis:

a. Industry Overview and Developments

The year 2016-17 continued to be quite difficult like the preceding three to four years due to low investments, slow execution of projects and poor cash flow. The opportunity was primarily driven by Central and State Utilities, while Power Generation, Industries and Infrastructure sectors continue to be affected. Owing to the economic slowdown in the past years, the ratio of bad loans or NPAs at the Indian banks has increased exponentially forcing the RBI to tighten the liquidity and funding norms of banks limiting their exposure to industry and infrastructure projects. Thus, the overall investment climate, in power generation, industry and infrastructure sectors remains cautious and suppressed. Consequently, market witnessed a phase of consolidation and asset sale by struggling private developers in order to avoid Non Performing assets (NPAs) with Banks & Financial Institutions.

Most of the State T&D network infrastructure is in poor condition leading to congestion of power flow in the States due to under investment in the T&D network over the last decade. Only few States are investing in the State T&D network to unblock T&D network congestion to improve power flow. Many State electricity boards / Discoms, continue to struggle with huge financial losses significantly affecting the entire value chain of the Power and T&D Sectors.

All these market uncertainties impacted the sales plan and cash flow of your Company.

However, on the positive side, the present govt. has undertaken significant measures to energise the power sector. One of the significant initiatives of Central Government has been the launch of UDAY Scheme & amendments in National Tariff Policy (NTP) which will aid in improving operational efficiency, reducing the cost of power purchase and enforcing fiscal discipline on various state Discoms.

Thus the year 2017-18 is expected to improve the market conditions based on the implementation of the reforms process.

b. Opportunities and threats, Segment wise or Product wise performance

The present government is keen on achieving growth of economy at a rate of 8-9%. Power generation and T&D sectors hold the key to such development. As on March 2017, India's per capita electricity consumption stands at a very low level of 1075 kwh, Ministry of Power is keen to double the consumption level over the next 5 to 6 years, which will lead to big investments in the Power and T&D sector.

Push to Renewable Energy

Government of India's ambitious capacity ramp up in the solar sector is attracting investments from private developers, NTPC Limited and Solar Energy Corporation of India (SECI). Several states that are rich in renewable resources have already launched ambitious projects in solar energy generation and solar evacuation transmission network.

Efficient and reliable transmission of this renewable power from supplying states, like Rajasthan, Gujarat, Tamil Nadu, Karnataka to demand centers across the country, will require new technology and grid stability systems.

Expansion of this additional power generation capacity will create new opportunities in the form of additional T&D infrastructure in the central as well as in the state grids. Such initiatives are expected to be largely driven by Inter region strengthen scheme.

24X7 Power for All Scheme

The Government has mooted the 24x7 Scheme under the guidance of the Ministry of Power and Central Electricity Authority (CEA). 24x7 PFA initiative has provided the much needed platform for all-encompassing integrated planning. In addition to integrated planning at the level of vertically unbundled utilities and other state level agencies, the exercise also provided an opportunity for mainstreaming the efforts of all central level ministries and agencies which will ensure access to reliable and quality power to all households / establishments in each and every state by 2019.

Smart Cities and Digital India campaign

The new Government initiative to build 100 Smart Cities and digitalisation of the economy should see a runaway success in the years to come. In the Indian scenario, a Smart City is going to be an amalgamation of several factors such as basic infrastructure including water, electricity and solid waste management, affordability, education and healthcare to name a few. None of this possible without adequate Power Infrastructure and Automation which are the direct beneficiaries in the scheme of things.

c. Risks and concerns

The Trade Industry bodies raised red-flag about the Chinese, state-owned companies entering India's power transmission sector which would be detrimental to the national security in Indian power gear circles. They have cautioned against the associated risks if Chinese firms are allowed to bid and operate transmission projects in India. It is understood that China Southern Power Grid International (HK Company Ltd.), a subsidiary of state-

owned China Southern Power Grid Co Ltd., has partnered with CLP India Private Ltd., to build power transmission networks in India. Several Chinese firms are gearing up to participate in bids invited by Central sector and State sector utilities for establishment, operation and maintenance of transmission lines for periods ranging from 25 to 35 years. The Above concerns will as well prove to be a huge opportunity for the T&D sector should India tie-up with the suggestive partner countries viz. French or German companies which would be beneficial to domestic power equipment manufacturing companies.

d. Internal control systems and their adequacy.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Audit Committee.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

The Company has in place adequate internal financial controls with reference to financial statements and other matters.

e. Discussion on financial performance with respect to operational performance.

On a standalone basis, the Company achieved revenue from operations of Rs.3,259.90 Lacs and EBIT of Rs.(1,596.14) Lacs as against Rs.4,173.03 Lacs and Rs (954.21) Lacs respectively in the previous year. Net loss for the year is Rs.4,859.69 Lacs as compared to net loss of Rs.4,487.38 Lacs in the previous year. The increase in loss during the year compared to previous year is primarily due to slow collection from the projects and the Government sector undertakings, the working capital cycle got affected due to the lack of working capital, the existing orders got back log and delayed in executions. Hence the company turnover not achieved the expected break even to absorb the admin and other overheads.

On consolidated basis, the Group achieved revenue from operations of Rs.8,990.24 lacs and EBIT of Rs.(1191.90) as against Rs.9,966.69 Lacs and Rs.(1238.91 lacs) respectively in the previous year. Net loss for the year is Rs.4492.05 lacs as compared to net loss of Rs.4,839.22 lacs in the previous year.

f. Material developments in Human Resources / Industrial Relations front, including number of people employed.

There is no increase in number of people except replacement of any resignation/ retirements. During the year no strikes or lock-outs and the industrial relations is cordial.

4. Human Resource Development

During the year, employee relations at all the Units remained cordial. This has helped your Company to build robust and motivated workforce in spite of adversities. The Company is continuously striving to improve employees skill sets through adequate training and development programs.

5. Material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2017 and 24th August, 2017(date of the Report).

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (31st March, 2017) and the date of the Report (24th August, 2017).

6. Internal Control Systems and their Adequacy

The Company has an Internal Control Framework which is commensurate with the size, scale and complexity of its operations. This framework ensures adequate safeguards and processes to address the evolving business requirements. Key controls have been identified along with risks and mitigation processes covering major areas. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

7. Subsidiary Companies and Consolidated Financial Statements

The Company has 7 subsidiaries, which includes 6 step-down subsidiaries as on 31st March, 2017. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 (“Act”). There has been no material change in the nature of the business of the subsidiaries.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company’s Subsidiaries, (in Form AOC-1) is attached to the financial statements as Annexure - D.

Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company.

8. Deposits from public

The Company did not invite or accept any fixed deposit pursuant to provisions of Section 76 of the Companies Act, 2013. During the year no amount either on interest or principal, remained outstanding as on the date of the Balance Sheet.

9. Corporate Governance Report

As has been the ethos of the Company, it strives to maintain high standards of Corporate Governance practices. Pursuant to regulation 34 (3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Reports on Management Discussion and Analysis and on Corporate Governance have been included elsewhere in this Report as separate sections. A certificate from Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in regulation 34 (3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also been included in the Annual Report.

10. Auditors

M/s. Brahmaya & Co., Chartered Accountants (Firm Reg.No.000511S) and M/s R Subramanian & Co., Chartered Accountants, (Firm Reg. No.004137S) existing Joint Statutory Auditors have been in office for more than ten years and in compliance with the

provisions of the Act, the Audit Committee and the Board of Directors of the Company at their meetings held on 24th August, 2017 respectively, recommended the appointment of M/s. K.S. Rao & Co., Chartered Accountants, (Firm Registration Number 003109S) as the Statutory Auditors (new Auditors) of the Company, in place of the existing Joint Statutory Auditors to hold office from the conclusion of the forthcoming Annual General Meeting (AGM) until the conclusion of 47th AGM of the company, subject to ratification by the members at every AGM. The necessary resolution is being placed before the shareholders for approval.

The new Auditors have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

11. Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Mr. S. Viswanathan, Company Secretary in Practice, Bangalore to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2017. The Secretarial Audit Report (in Form MR-3) is attached as Annexure - C to this Report.

12. Management reply to the Statutory Auditor's & Secretarial Auditor's Report

The explanations and comments by the Board on qualifications made by Statutory Auditors is attached as Annexure - G to this Report.

13. Extract of Annual Return

An extract of Annual Return in Form MGT-9 as on 31st March, 2017 is attached as Annexure - F to this Report.

14. Directors and Key Managerial Personnel

Mr Hari Eswaran, Director retires by rotation and being eligible and has offered himself for re-appointment. A brief background of Mr Hari Eswaran, Director is given in the Corporate Governance Report.

During the year under review, Mr A Kamatchinathan, has been appointed as the Chief Financial Officer w.e.f. 14th November, 2016.

Mr Sudhir Anand has resigned from the post of Head / Legal & Company Secretary with w.e.f. 02.08.2017. The Company is in the process of appointing a new Company Secretary.

15. Declaration by Independent Directors

All the Independent Directors of your Company have made declaration to the Company that they meet all the criteria of independence laid down under section 149(6) of Companies Act, 2013 and regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. Familiarisation Programme for Independent Directors

Your Company, during the year under review has taken steps to apprise the Independent Directors on macro-economic environment, market scenario, regulatory updates, business operations, financial statements, update on statutory and legal compliances for Board members, etc.

17. Policy on Directors' appointment and remuneration and other details

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Directors' Report.

A statement containing the details of the Remuneration of Key Management Personnel's as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in the Corporate Governance report, which forms part of the Directors' Report.

18. Number of Meetings of the Board

Five meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

19. Board evaluation

The Board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligations and Disclosure Requirements) LODR Regulations, 2015 under Regulation No.17(10).

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In addition, the Chairman was also evaluated on the key aspects of his role. In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive and non-executive directors.

20. Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Directors of the Company hereby state and confirm that:

- (i) in the preparation of Annual Accounts for the year, applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and the loss of the Company for the year under review;

- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) The Directors have prepared the Annual Accounts on a going concern basis.
- (v) That proper internal financial control was followed by the Company and that such internal financial control are adequate and were operating effectively.
- (vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. Audit committee

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

22. Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

23. Particulars of Employees

There are no employees whose remuneration exceeds the limits specified under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules.

24. Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI LODR Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism / Whistle Blower and the same was hosted on the website of the Company. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The policies have been uploaded on the Company's website, under the web link: (URL: www.easunreynolle.com/investors)

25. Related Party Transactions

In terms of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a Related Party Transactions Policy on dealing with Related Party Transactions. The policy may be accessed under the Corporate Governance section of the website (URL: www.easunreynolle.com/investors). All related party transactions during the year under review were on arm's length basis and in the ordinary course of business. There were no material related party transactions made by the Company which could be considered material in accordance with Related Party Transactions Policy of the Company.

The details of related party transactions are set out in the notes to the financial statements as well as Form AOC-2 is attached as Annexure – E to this Report.

26. Risk management

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

27. Environment, Health and Safety

The Company follows all the laws on Environment, Health, Safety (EHS) in all its operations. Occupational injury frequency rate remained almost NIL during the year under review. No severe accident was recorded for your Company employees.

28. Corporate Social Responsibility

Your Company is not under the purview of Section 135 of the Companies Act, 2013 as Company having less Net worth or Turnover or Net profit as specified in the Section.

29. Policy on Prevention of Sexual Harassment

The Company has in place a Policy for prevention of sexual harassment at workplace. This inter alia provides a mechanism for the resolution, settlement or prosecution of acts or instances of Sexual Harassment at work and ensures that all employees are treated with respect and dignity. During the year under review, there were no complaints received by the Company.

30. Disclosure requirements

As per Regulation 15(2) of SEBI (LODR) Regulations, 2015 corporate governance report with auditors' certificate thereon and management discussion and analysis are attached, which form part of this report.

Policy on dealing with related party transactions is available on the website of the Company (URL: www.easunreynolle.com/investors).

The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and Regulations 22 of SBI LODR, Regulations, 2015 with stock exchanges (URL: : www.easunreynolle.com/investors).

31. Particulars of Research and Development, Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings/Outgo:

Information required under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, is attached as Annexure B and forms part of this Report.

32. Cautionary Statement

Statements in this report, particularly those which relate to Management Discussion & Analysis, describing the Company's objectives, projections, estimates and expectations

may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

33. Change in nature of Business of the Company

There is no change in nature of Business during the year compared to earlier year.

34. Concluding Remarks

The Directors wish to sincerely express their appreciation to all employees of the Company for their dedicated services during the year amidst tough times. The Directors take this opportunity to express their gratitude to all Shareholders, Bankers, Vendors and other Stakeholders who have reposed trust and extended their constant support.

For and on behalf of Board of Directors

Hari Eswaran
Chairman
(DIN No.00196760)

Place: Chennai

Date: 24th August, 2017

Annexure – A to the Directors’ Report for the year ended 31st March, 2017 Corporate Governance Disclosure

In compliance with Regulation 34 (3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as “Listing Regulations”], Company’s compliance on Corporate Governance provisions submits the following report.

1. Company’s philosophy on Code of Governance

The philosophy of the Company on Corporate Governance is to attain highest level of transparency, responsibility, accountability and equity in all facets of its operations.

The Company believes that all its actions must serve the underlying goal of enhancing shareholders’ value over a sustained period of time.

The Company’s “Code of Conduct” for all Board Members and Senior Management of the Company is posted on the web site of the Company.

2. Board of Directors :

(a) Composition and Category of Directors

The following table gives particulars of Directors, their attendance at the Board Meetings and Annual General Meetings and particulars of Directorships, etc. held in other Companies.

Sl. No	Name	Category	Attendance Particulars		Member of Directorship / Committee Membership/ Chairmanship			No. of Shares held by each Director
			Board Meetings	Last Annual General Meeting	Directorship	Committee Membership	Chairmanship	
1	Mr Hari Eswaran	Promoter Director (Chairman)	5 of 5	Attended	1	1	2	39,755
2	Dr W S Jones	Independent Director	5 of 5	Not Attended	1	1	1	-
3	Mr Raj H Eswaran	Promoter Director	5 of 5	Attended	1	2	-	3,03,558
4	Mr Rakesh Garg	Independent Director	5 of 5	Attended	3	1	-	2,958
5	Ms Sweta Mandora Prajapati	Independent Director	5 of 5	Not Attended	1	-	-	-

Note: 1. Mr Raj H Eswaran is the son of Mr Hari Eswaran

2. Except Mr Raj H Eswaran, Managing Director, all the Directors on the Board are non-executive Directors.

(b) Number of Board Meetings and Dates of Board Meeting held during the Financial Year 2016 - 17 is as below:

Five Board meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

Board Meeting Number	Date of Board Meeting
1	28.05.2016
2	12.08.2016
3	18.08.2016
4	14.11.2016
5	14.02.2017

(c) Brief Background of Director being re-appointed

Mr Hari Eswaran,

Mr Hari Eswaran, Director retire by rotation and is eligible for reappointment. The brief background of Mr Hari Eswaran, Director is furnished below:

Mr Hari Eswaran, 80 years, is one of the founder Director of Easun Reyrolle Limited. Presently, he is non-executive Chairman on the Company's Board. He is a Fellow of the Institution of Electrical Engineering, U.K. Mr. Hari Eswaran, a pioneer in the electrical engineering industry, has been associated with various industry and trade associations. He is the past Chairman of the following bodies;

1. Indian Electrical and Electronics Manufacturers Association
2. Madras Chamber of Commerce and Industry
3. Association of Indian Engineering Industry (Southern Region), now known as CII
4. Employers Federation of Southern India

Mr. Hari Eswaran is a Member of Associated Chamber of Commerce and Industry and on the Board of the following Companies.

1. Easun Engineering Company Limited – Chairman
2. Eswaran and Sons Engineers (P) Limited – Chairman
3. Easun-MR Tap Changers Pvt. Limited – Chairman
4. Easun Products of India Pvt. Limited – Director
5. Easun Holdings Pvt. Ltd., - Director
6. Sowraj Investments (P) Limited – Director
7. ERL International Pte. Limited, Singapore – Chairman
8. ERL Marketing International FZE, Sharjah – Chairman
9. Switchcraft Europe GmbH, Germany – Chairman
10. Switchcraft Limited, Hong Kong – Chairman
11. ERL Switchcraft Pte. Limited, Singapore – Chairman

Mr. Hari Eswaran is holding 39,755 Equity Shares of Rs.2 each in Easun Reyrolle Limited as on 31.03.2017.

3. Audit Committee:

(a) Composition and Name of Committee Members

The Audit Committee of the Company comprised of three Members namely, Dr W S Jones, Mr Raj H Eswaran, and Mr Rakesh Garg. Dr W S Jones is the Chairman of the Audit Committee.

(b) Terms of Reference

The Company has constituted a qualified and independent Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company. The Committee is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits. The Terms of reference specified by the Board to the Audit Committee are in conformity with the Regulation 18 of SEBI (LODR) Regulations, 2015.

(c) Meetings

During the year 2016-17, 4 (Four) Audit Committee Meetings were held. The attendance of Members during the year is as below:

Sl. No.	Names and Position of the Member	Number of Meetings during the year 2016-17	
		Attended	Held
01.	Dr W S Jones, Member	4	4
02.	Mr Raj H Eswaran, Member	4	4
03.	Mr Rakesh Garg, Member	4	4

4. Nomination and Remuneration Committee

(a) The composition of the Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2016-17	
		Attended	Held
Dr W S Jones	Independent, Non-Executive	2	2
Mr Rakesh Garg	Independent, Non-Executive	2	2
Mr Hari Eswaran	Promoter – Non-Executive Director	2	2

(b) Terms of reference of the Nomination and Remuneration Committee are as under:

- i. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management and to evaluate the performance of members of the Board and provide necessary report to the Board for further evaluation.

- ii. To attract, retain and motivate the Senior Management including its Key Managerial Personnel, evaluation of their performance and provide necessary report to the Board for further evaluation.
- iii. To recommend the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Director (Executive & Non- Executive/ Independent/ Nominee) and persons who may be appointed in Senior Management, Key Managerial Personnel and determine their remuneration.
- v. To promote and develop a high performance workforce in line with the Company strategy and to determine the remuneration based on the Company's size and financial position and practices in the industry.

(c) Performance evaluation criteria for Directors

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of all the Directors of the Company. The Company's remuneration policy is driven by success and performance of the individual and the Company. Through its compensation policy, the Company endeavors to attract, retain, develop and motivate high performance workforce. The Company follows a compensation mix of fixed pay, benefits available pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

5. Remuneration of Directors

(a) Criteria for making payments to Non-Executive Directors

The Non-Executive Directors of the Company are paid remuneration by way sitting fees and profit related Commission based on the criteria laid down by the Nomination and Remuneration Committee and the Board.

Due to insufficient profits during the year, the Board has decided to pay only sitting fees for attending the Committee and Board Meetings to Non-Executive Directors.

(b) Details of Remuneration paid to Executive / Non-Executive Directors for the year ended 31st March, 2017:

(a) Non-Executive Directors:

Name	Commission (Rs. in Lacs)	Sitting Fee (Rs. in Lacs)
Mr Hari Eswaran, Chairman	-	0.45
Dr W S Jones	-	0.55
Mr Rakesh Garg	-	0.55
Ms Sweta Mandora Prajapati	-	0.25

(b) Executive Director:

Name	Salary (Rs. in Lacs)	Commission (Rs. in Lacs)	Sitting Fee (Rs. in Lacs)
Mr. Raj H Eswaran, Managing Director	48.00	Nil	Nil

(c) Details of Remuneration of KMP's Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Managerial Remuneration Disclosure as per Companies Act, 2013				
Sl. No.	Name of the KMP	KMP Nature	Remuneration per annum (CTC) Rs. in Lacs	Ratio of Remuneration of each KMP to median remuneration of employees
1.	Raj H Eswaran @	Managing Director & CFO	48.00	1:10.62
2.	Mr Sudhir Anand	Head – Legal and Company Secretary	11.73	1:2.60
3.	Mr A Kamatchinathan *	Chief Financial Officer	21.00	1:4.65

@ Mr Raj H Eswaran, MD has taken additional responsibility and has been appointed as CFO w.e.f. 03.06.2016 and has been relieved from the post of CFO w.e.f. 14.11.2016

* Mr A Kamatchinathan has been appointed as CFO and KMP w.e.f. 14.11.2016

6. Stakeholders' Grievance Committee

Composition and Name of Committee Members :

The Stakeholders' Grievance Committee comprises of Mr Hari Eswaran and Mr Raj H Eswaran. Mr Hari Eswaran (a non-executive Director) is the Chairman of the Committee.

Name	Category	Number of Meetings during the year 2016-17	
		Attended	Held
Mr Hari Eswaran	Promoter – Non-Executive Director	2	2
Mr Raj H Eswaran	Executive Director	2	2

The Committee looks into redressing of shareholders' / Investors' complaints in the matter of share transfer, non-receipt of dividend, annual report etc. The Committee oversees the performance of the Registrar and Transfer Agents.

The Board of Directors has delegated the power to approve transfer and transmission of shares, in favour of Mr Hari Eswaran, Chairman.

Mr Sudhir Anand, Head – Legal and Company Secretary is the Compliance Officer of the Company.

During the year 2016-17 the Company received 8 complaints and all the complaints were resolved to the satisfaction of the Shareholders.

7. General Body Meeting

a. General Body Meeting

The details of the Annual General Meetings held during the last three years are as below:

Calendar year	Location	Date	Time	No. of special resolutions passed
2014	Hotel Ambassador Pallava 53, Montieth Road, Chennai – 600 008	29.09.2014	10.00 a.m.	3
2015		28.09.2015	10.00 a.m.	Nil
2016		30.09.2016	10.00 a.m.	1

b. Postal Ballot

No resolution was passed through Postal Ballot during the year 2016 - 17.

8. Means of Communication:

- The Company has been publishing quarterly, half-yearly and yearly financial results in newspapers, namely, The Financial Express, and Makkal Kural (in Tamil). Quarterly and half-yearly financial results are not sent individually to the shareholders.
- The Company is posting in its website, www.easunreyrolle.com the quarterly financial results as well as presentations made to institutional investors / analysts.

9. General Shareholder information :

(a) Annual General Meeting for 2017

- Date : 30th September, 2017
- Time : 10.00 am
- Venue : Hotel Ambassador Pallava 53, Montieth Road, Chennai – 600 008.

(b) Financial calendar:

Results for the quarter ended 30 th June, 2017	Second week of August, 2017
Results for the quarter ended 30 th September, 2017	Second week of November, 2017
Results for the quarter ended 31 st December, 2017	Second week of February, 2018
Results for the quarter ended 31 st March, 2018	Last week of May, 2018

(c) Book Closure date:

The Register of Members and the Share Transfer Books of the Company will remain closed from 24th September, 2017 to 30th September, 2017 (both days inclusive).

(d) Listing on Stock Exchanges:

The Company's shares have been listed on National Stock Exchange of India Limited, Mumbai, and Bombay Stock Exchange Limited, Mumbai. Up to date listing fee has been paid to both the Stock Exchanges.

(e) Stock Code :

National Stock Exchange Limited	EASUNREYRL
Bombay Stock Exchange Limited	532751
ISIN Number of the Company	INE268C01029
Corporate Identification Number	L31900TN1974PLC006695

(g) Market Price Data :

Highlights of Market Price of the Company's Shares traded on National Stock Exchange and Bombay Stock Exchange during 2016-17 are as follows:

Period	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2016	37.80	27.55	38.00	28.00
May, 2016	36.45	28.50	36.25	29.00
June, 2016	34.00	28.75	34.00	28.95
July, 2016	36.75	31.25	36.80	31.25
August, 2016	35.60	28.80	35.00	29.30
September, 2016	34.60	28.35	34.95	28.50
October, 2016	37.40	28.80	37.40	29.00
November, 2016	33.70	24.05	33.60	24.15
December, 2016	26.95	22.75	27.50	22.95
January, 2017	26.50	23.30	26.50	23.45
February, 2017	30.55	23.50	30.40	23.55
March, 2017	36.65	25.00	36.35	24.95

(h) Share performance in comparison with NSE/BSE index:

Share Performance of the Company in comparison to National Stock Exchange and Bombay Stock Exchange Index:



(i) Registrars and Transfer Agents :

Integrated Registry Management Services Pvt Ltd.,
 2nd Floor, "Kences Towers", No.1, Ramakrishna Street,
 North Usman Road, T Nagar, Chennai 600 017
 Telephone No: +91 044 28140801 to 28140803,
 Email: corpserve@integratedindia.in

(j) Share Transfer System:

All requests for transfer of shares are processed by the Registrars and Share Transfer Agents and are approved by the Stakeholder Relationship Committee. The approved share transfers are returned within 15 days from the date of lodgment, if documents are complete in all respects.

(k) Shareholding Pattern as at 31st March, 2017:

Sl. No.	Category	No. of Shares held	Percentage of Shareholding
1.	A. Promoters' Holding		
	Mr Hari Eswaran & Associates	1,11,13,490	36.09%
2	B. Non-Promoters' Holding		
	Mutual Fund	24,84,168	8.07%
	Foreign Portfolio Investors	15,04,989	4.89%
	Individuals	1,32,76,867	43.11%
	NBFCs Registered with RBI	1,19,293	0.39%
	BODIES CORPORATE	19,87,203	6.45%
	NRI/OCBs	2,92,576	0.95%
	Others	15,555	0.05%
	Total	3,07,94,141	100.00%

(l) Distribution of Shares as on 31st March, 2017:

Sl. No.	Distribution of Shareholding	No. of Share holders	% to total	No. of Shares	% to total
1	Upto 500 Shares	10,860	75.99%	16,09,199	5.23%
2	501 to 1000 Shares	1,537	10.75%	12,79,404	4.15%
3	1001 to 2000 Shares	893	6.25%	13,81,819	4.49%
4	2001 to 3000 Shares	333	2.33%	8,70,591	2.83%
5	3001 to 4000 Shares	138	0.97%	4,98,981	1.62%
6	4001 to 5000 Shares	125	0.87%	5,88,531	1.91%
7	5001 to 10,000 Shares	204	1.43%	15,40,521	5.00%
8	More than 10,000 Shares	202	1.41%	2,30,25,095	74.77%
	Total	14,292	100.00%	3,07,94,141	100.00%

(m) Dematerialization of Shares and Liquidity:

97.73% of the paid up capital has been dematerialized as at 31st March 2017. The highest trading activity is witnessed on National Stock Exchange, Mumbai.

The average daily turnover of the Company's equity shares on The National Stock Exchange, Mumbai and Bombay Stock Exchange Limited, Mumbai during 2016-17 is given below:

Sl. No.	Name of the Stock Exchange	No. of Shares	Value per Share (Rs.)
01.	The National Stock Exchange of India Ltd	41,746	29.58
02.	Bombay Stock Exchange Limited	18,263	29.62

(n) Outstanding GDRs/ADRs/Warrants, etc:

Outstanding GDRs / ADRs / Warrants or any convertible instrument, conversion date and likely impact on equity:

- i) Outstanding GDRs/ADRs/Warrants: There are no outstanding GDRs/ADRs/ Warrants as on 31.03.2017.
- ii) Securities held in abeyance: Issue and allotment of 1,498 Equity Shares of Rs.2 each (675 Shares on Bonus Issue and 823 Shares on Rights Issue) which are subject to matter of suits filed in a court, is held in abeyance pursuant to Section 126 of the Companies act, 2013.

(o) Plant Location :

<p>1. Hosur Plant: - Unit I Plot No.98, Sipcot Industrial Complex, Hosur-635126 Krishnagiri District, Tamilnadu</p>	<p>3. Global Manufacturing Facility: Plot No.147/148 Harohalli Industrial Area 2nd Phase, Madamaranahalli Village Harohalli Hobli, Kanakpura Taluk, Ramnagara Dt.</p>
<p>2. Bangalore Plant: - Unit II 17/3, Arakere Village, Bannerghatta Road Bangalore -560076, Karnataka</p>	

(p) Address for Correspondence :

i	For transfer / dematerialization of shares and other queries relating to Company's shares	Integrated Registry Management Services Private Ltd., 2nd Floor, "Kences Towers", No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai 600 017 Email: corpseiv@integratedindia.in
ii	Any query on payment of dividend or Annual Report	Easun Reyrolle Ltd. No.98, Sipcot Industrial Complex Hosur - 635 126 Email: sec@easunreyrolle.com

(q) **Transfer of unclaimed dividend to Investor Education and Protection Fund of the Central Government:**

During the year 2016-17, the as Company transferred the following Dividend to IEPF:

Dividend for the year	No. of Shareholders	Amount Rs.	Date of Transfer
Final Dividend for the year 2008-09	720	4,90,680.00	08.11.2016

The Company will be transferring the following Unpaid Dividend to the Investor Education and Protection Fund in 2017-18 is as below:

Dividend for the year	Declared on	Transferring to IEPF during
Final Dividend for the year 2009-10	29 th September, 2010	October, 2017

10. Other Disclosures

a. Related Party Transactions:

None of the transactions with any of the related parties was in conflict with the interest of the Company. Details of the related party transactions are disclosed in Note No.28&29 of Notes on Accounts of the accompanying Annual Report.

b. Strictures and penalties

Sl. No.	Financial Year	Amount (Rs.)	Reason
1	2014-15	6,371.00	Delay in Submission of Annual Reports
2	2015-16	2,84,000.00	Delay in Appointment of Women Director
3	2016-17	10,750.00	Delay in submission of Q1 Financial Results for the year 2016-17

c. Whistle Blower policy

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link <http://easunreynolle.com/investors> and circulated to all the Directors / employees.

d. Independent Directors

Your Company appointed Independent Directors who are renowned people having expertise/experience in their respective field/profession. None of the Independent Directors are Promoters or related to Promoters. They do not have any pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

e. Meeting of Independent Directors

During the year, meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

Independent Directors presented their views on matters relating to Board processes and the overall affairs of the Company to the full Board.

f. Code of Conduct

Your Company has adopted a Code of Conduct for members of the Board (incorporating duties of Independent Directors) and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code.

Pursuant to Regulation 46, Managing Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management. The Policy on Code of Conduct is hosted on the Company's website under the web link (URL: www.easunreynrolle.com/investors).

g. Code of Conduct for prohibition of insider trading

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 1992. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 1992.

The Company confirms that during the financial year 2016-17, it complied with mandatory reporting requirement (except the delay in submission of Q1 Financial Results for the year 2016-17) as per SEBI LODR Regulations, 2015 of Corporate Governance.

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 its Board Members and Senior Management Personnel. The Code of Conduct is available on the Company's web site.

I confirm that, in respect of the financial year ended 31st March, 2017, the Company has received from the Members of the Board and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct.

On behalf of the Board of Directors

Hari Eswaran
Chairman
(DIN No.00196760)

Place : Chennai
Date : 24th August, 2017

**Certificate from Managing Director and Chief Financial Officer
forming part of the Directors' Report
for the year ended 31st March, 2017**

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control systems for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Statutory Auditors and Audit Committee are appraised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
- D. We have indicated to the auditors and the Audit committee:
1. there are no significant changes in internal control over financial reporting during the year;
 2. there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. there are no instances of significant fraud of which they have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting.

Raj H Eswaran
Managing Director
(DIN No.00195354)

A Kamatchinathan
Chief Financial Officer

Date : 24th August, 2017
Place : Chennai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members, Easun Reyrolle Limited.

We have examined the compliance of conditions of Corporate Governance by Easun Reyrolle Limited ('the Company'), for the year ended 31st March, 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

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

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the Regulations of Corporate Governance as stipulated in the above mentioned Listing Agreement and Listing regulations.

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 BRAHMAYYA & CO.
Chartered Accountants
Firm Regn. No. 000511S

For R.SUBRAMANIAN & CO.LLP
Chartered Accountants
Firm Regn. No. 004137S/S200041

N. Srikrishna
Partner
Membership No. 26575

K. Jayashankar
Partner
Membership No. 14156

Place : Chennai
Date : 24th August, 2017

Annexure – B to the Directors’ Report for the year ended 31st March, 2017
Information pursuant to Section 134 of the Companies Act, 2013
read with Rule 8 of the Companies (Accounts) Rules, 2014

A. Conservation of Energy	
(i) Energy Conversion	By rationalizing operations, the Company could save energy resulting in reduction in power consumption. The Company is continuously identifying areas where energy can be saved and appropriate measures are being taken to optimize conservation of energy.
(ii) Additional Investments and proposals if any, being implemented for reduction of consumption of energy	
(iii) Impact of the measures at (a) and consumption and consequent impact of the cost of production of goods.	
(iv) Total energy conservation	Disclosure requirement is not applicable to the Company.
B. Technology Absorption	
(i) Research and Development	
(1) Specific areas in which R&D is carried out by the Company	(a) Yet to release Protection Relay Products namely: 1) F-PRO297 with PRP – Feeder Management Relay with SEF 2) F-PRO298 with PRP– Feeder Management Relay with SEF & VSync 3) L-PRO4500 with PRP – Line Protection Relay 4) T-PRO4500 with PRP– Transformer Protection Relay (b) Low Cost Platform - Feeder Protection Relay(F-PRO1000) Design Started
(2) Benefits derived as a result of the above efforts	(a) Indigenous IP, hence no royalty payable. (b) Improved brand name as a technology Company. (c) New product lines for the existing business, hence entry into new market segments. (d) Adaptation of products and creation of variants to meet International and domestic markets.
(3) Future plan of action	(a) To add additional variants of the Sub-Transmission and Distribution segment Protection Relays. (b) To develop SCADA compatible products such as Bay Control Unit
(4) Expenditure on R&D (a) Capital (b) Recurring (c) Total (d) Total R&D expenditure as a percentage of total turnover	- - - -

(ii) Technology absorption, adaptation and innovation	
(1) Efforts, in brief, made towards technology absorption, adaptation and innovation.	(a) Use of Multi-core processor designs with SOM architecture and re-use of software across products, reduce the product development Cycle. (b) Integration of product development across global development teams by Joint development work and use of configuration and other tools.
(2) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development substitution, etc.,	(a) Use of Multi-core processor designs with SOM architecture cut down the product cost by 30% to 40%. (b) The absorption / Re-use of Algorithms, Software has reduced the Product development cycle. The development of Substation Automation Products has resulted in reduction of Import cost and provide product upgrades to Customers.
(3) In case of imported technology, (imported during the last five years reckoned from the beginning of the financial year, following information may be furnished) (a) Technology imported (b) Year of Import (c) Has technology been fully absorbed (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	} NIL
C. Foreign Exchange Earning and Outgo	
(i) (a) Efforts made in Technology absorption (b) Initiatives taken to increase exports (c) Development of new export markets for products and service (d) Export plans	} Participating in Tenders and product demonstrations in Overseas Market.
(ii) (a) Total foreign exchange used (b) Total foreign exchange earned	Rs. 708.42 lacs Rs. 413.06 lacs

On Behalf of the Board of Directors

Hari Eswaran
Chairman
(DIN No.00196760)

Place : Chennai
Date : 24th August, 2017

Annexure – C to the Directors’ Report for the year ended 31st March, 2017

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March 2017

[Pursuant To Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Easun Reyrolle Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Easun Reyrolle Limited, (CIN: L31900TN1974PLC006695) having its Registered Office at “Temple Tower”, VI Floor, 672, Anna Salai, Nandanam, Chennai – 600 035, Tamilnadu (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2017, 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 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, 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; attention is drawn to the observation made in Para(b) under “basis for qualified opinion” to the Standalone Statutory Audit report for the specified period;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992(‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during audit period);

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; NIL
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; NIL
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; NIL
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during audit period);

I have also reviewed the systems and mechanisms established by the Company for ensuring compliances under other applicable Acts, Laws, Rules, Regulations, Guidelines applicable to the Company and categorized under the following major heads/groups:

- a. Factories Act, 1948
- b. Industries (Development & Regulations) Act 1951.
- c. Acts prescribed under prevention and control of pollution.
- d. Environment (Protection) Act, 1986
- e. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation, etc.;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE);
- (iii) Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the observations made below.

I further report that

The Board of Directors of the Company is duly constituted under Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes, where applicable. The Chairman of the meeting approves the minutes after making corrections considered necessary. The management has been advised to comply with the prescribed Secretarial Standards and procedure for holding Board meetings through video conferencing.

I 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. However, as informed by the management, due to paucity of funds and liquidity problems, the Company has defaulted in timely remittance of statutory dues and timely filing of return under other laws.

I further report that, As per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) LODR Regulations, 2015, the Company has failed to publish Unaudited Financial Results for the quarter and three months ended 30th June, 2016 on or before 14th August, 2016 and subsequently published the same on 17th August, 2016 and complied with Regulation 33 of SEBI LODR. Due to delay in publishing the financial results, a sum of Rs.10,750 paid to both the Stock Exchanges, viz., NSE and BSE.

I further report that during the audit period specific events/actions took place as observed in the Statutory Auditors' Report which we rely upon, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

S. Viswanathan
Practicing Company Secretary
ACS No: 5284
CP No: 5284

Place: Bangalore

Date : 24th August 2017

Encl: Annexure A

Annexure A

To

The Members
Easun Reyrolle Limited

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and process as are appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
- 5) The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S. Viswanathan
Practicing Company Secretary
ACS No: 5284
CP No: 5284

Place: Bangalore

Date : 24th August 2017

**ANNEXURE – D to the Directors’ Report for the year ended 31st March, 2017
Form AOC-1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of
subsidiaries /associate companies /joint ventures**

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

[Rupees in lacs]

Sl. No.	Name of the subsidiary	Particulars						
		ERL International Pte Ltd. Singapore	ERLPhase Power Technologies Ltd., Canada	ERL Marketing International FZE, Sharjah	ERL Switchcraft Pte Ltd. Singapore	Switchcraft Europe Gmbh, Germany	Switchcraft Ltd., Hongkong	ERL Pacific Pty Ltd., Australia
1.	The date since when subsidiary was acquired	14.12.2007	15.06.2007	15.09.2008	13.09.2011	03.02.2009	03.02.2009	29.07.2013
2.	Reporting period for the subsidiary concerned, if different from the holding Company’s reporting period	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD	USD	USD	USD	USD	USD	USD
4.	RATE	64.84	64.84	64.84	64.84	64.84	64.84	64.84
5.	Share capital	20,748.35	4538.70	675.03	0.06	5001.18	16.73	0.06
6.	Reserves & surplus	3296.11	(2629.59)	(471.39)	(991.98)	(5516.79)	(1293.92)	(248.43)
7.	Total assets	27465.63	6371.05	857.81	10217.03	4101.05	3.30	93.56
8.	Total Liabilities	3421.17	4461.94	654.16	11208.28	4616.66	1313.95	396.45
9.	Investments	5213.86	-	-	-	-	-	-
10	Turnover	-	5854.00	509.88	-	1.45	-	-
11	Profit before taxation	(8.59)	702.23	51.25	-	(5.35)	-	(30.36)
12	Provision for taxation	-	-	-	-	-	-	-
13	Profit after taxation	(8.59)	702.23	51.25	-	(5.35)	-	-
14	Proposed Dividend	-	-	-	-	-	-	-
15	Extent of shareholding (in %)	100%	100%	100%	80%	100%	100%	82%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures			
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
4. Description of how there is significant influence			
5. Reason why the associate/joint venture is not consolidated			
6. Net worth attributable to shareholding as per latest audited Balance Sheet			
7. Profit/Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations -NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL

For and on behalf of Board of Directors

Raj H Eswaran
 Managing Directors
 DIN 00195354

Rakesh Garg
 Director
 DIN 00240379

A Kamatchinathan
 Chief Financial Officer

Place : Chennai
 Date : 24th August 2017

ANNEXURE – E to the Directors’ Report for the year ended 31st March, 2017

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with Related Parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm’s length basis.

There is no contracts or arrangements or transactions not at arm’s length basis

2. Details of contracts or arrangements or transactions at Arm’s length basis

Sl. No	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangement / transaction	Duration of the contracts / arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
a)	ERLPhase Power Technologies Ltd., (Subsidiary)	Sales / purchase transactions	There are routine and regular intra group transactions, which are carried out on a continuous basis. This was active throughout 2016-17	Transaction in ordinary course of business Purchase of Goods – Rs.538.08 Lacs Sales – Rs.0.49 Lacs	13.08.2014	Nil
b)	ERL Marketing International FZE., (Subsidiary)	Sales / purchase transactions	There are routine and regular intra group transactions, which are carried out on a continuous basis. This was active throughout 2016-17	Transaction in ordinary course of business Purchase of Goods - Nil Sales of Goods - Rs.229.18 Lacs	13.08.2014	Nil
c)	Switchcraft Europe GmbH, (Subsidiary)	Sales / purchase transactions	There are routine and regular intra group transactions, which are carried out on a continuous basis. This was active throughout 2016-17	Transaction in ordinary course of business Purchase of Goods - Nil Sale of Goods – Nil	13.08.2014	Nil

On Behalf of the Board of Directors

Hari Eswaran
Chairman
(DIN No.00196760)

Place : Chennai
Date :24th August, 2017

ANNEXURE – F TO THE DIRECTORS’ REPORT FOR THE YEAR ENDED 31ST MARCH, 2017

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
for the financial year ended 31st March, 2017**

[Pursuant to section 92(3) of the Companies Act, 2013
And

Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L31900TN1974PLC006695
ii) Registration Date	29 th August, 1974
iii) Name of the Company	Easun Reyrolle Limited
iv) Category / Sub-Category of the Company	Company limited by shares
v) Address of the Registered office and contact details	Address of the registered Office: “Temple Tower”, 6 th Floor, No. 672 (Old No.476), Anna Salai, Nandanam, Chennai – 600 035 Phone : +91-44-24346425 Fax: +91-44-24346435 Email: sec@easunreylle.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Registry Management Services Pvt Ltd., 2 nd Floor, “Kences Towers”, No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017 Phone No : +91 44 28140801 to 28140803 E-mail ID : corpserv@integratedindia.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Relays	2710	98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	ERL International Pte. Ltd., 10, Jalan Besar, #10-12, SIM LIM Tower, Singapore 208 787	Foreign Company (WOS)	Subsidiary	100%	2(87)
2.	ERLPhase Power Technologies Ltd. 74 Scurfield Blvd. Winnipeg, MB R3Y 1G4,	Foreign Company	Deemed Subsidiary	100%	2(87)
3.	ERLMarketing International FZE, No.39G-01, Hamriyah Free Zone, Sharjah, UAE	Foreign Company	Deemed Subsidiary	100%	2(87)
4.	ERL Switchcraft Pte. Limited, 10, Jalan Besar, #10-12, SIM LIM Tower, Singapore 208 787	Foreign Company	Deemed Subsidiary	80%	2(87)
5.	SWITCHCRAFT Europe GmbH, Thyssenstraße 93, D-46535 Dinslaken	Foreign Company	Deemed Subsidiary	100%	2(87)
6.	Switchcraft Limited Units B & C, Eton Building, 288 Des Voeux Road Central, Hong Kong	Foreign Company	Deemed Subsidiary	100%	2(87)
7.	ERL Pacific Pty Ltd., Unit 2, 158 South Pine Road, Enoggera, Qld, 4051. Box 39, Ferny Hills, Queensland, 4055, Australia	Foreign Company	Deemed Subsidiary	82%	2(87)

IV. SHARE HOLDING PATTERN
(Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6,14,471	-	6,14,471	2.00%	5,77,429	-	5,77,429	1.88%	(0.12%)
b) Central Government/ State Governments	-	-	-	-	-	-	-	-	-
c) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	1,04,21,061	-	1,04,21,061	33.84%	1,04,61,061	-	1,04,61,061	33.97%	(0.13%)
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	1,10,35,532	-	1,10,35,532	35.84%	1,10,38,490	-	1,10,38,490	35.85%	(0.01%)
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	75,000	-	75,000	0.24%	75,000	-	75,000	0.24%	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	75,000	-	75,000	0.24%	75,000	-	75,000	0.24%	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1,11,10,532	-	1,11,10,532	36.08%	1,11,13,490	-	1,11,13,490	36.09%	(0.01%)
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds/UTI	37,05,967	-	37,05,967	12.03%	24,84,168	-	24,84,168	8.07%	(3.97%)
b) Venture capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
f) Foreign Portfolio Investors	15,04,989	-	15,04,989	4.89%	15,04,989	-	15,04,989	4.89%	-
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Funds / Pension Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	52,10,956	-	52,10,956	16.92%	39,89,157	-	39,89,157	12.95%	(3.97%)
2. Central Government / State Government / President of India									
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
3. Non Institutions									
a) Individuals									
i) Individual share holders holding nominal share capital upto Rs.2 lac	93,05,802	6,08,310	99,14,112	32.19%	97,22,412	5,89,305	1,03,11,717	33.49%	(1.29%)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lac	26,28,583	1,06,410	27,34,993	8.88%	28,58,740	1,06,410	29,65,150	9.63%	(0.75%)
b) NBFCs Registered with RBI	-	-	-	-	1,19,293	-	1,19,293	0.39%	(0.39%)
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
1) Bodies Corporate	14,06,056	2,130	14,08,186	4.57%	19,85,073	2,130	19,87,203	6.45%	(1.88%)
2) Clearing Member	-	-	-	-	74,212	-	74,212	0.24%	(0.24%)
3) NRI - Non Repatriable	4,15,362	-	4,15,362	1.35%	26,792	-	26,792	0.09%	(1.26%)
4) NRI - Repatriable					1,91,572	-	1,91,572	0.62%	(0.62%)
5) Limited Liability Partnership	-	-	-	-	15,355	-	15,355	0.05%	(0.05%)
6) Trust	-	-	-	-	200	-	200	-	-
Sub-total (B)(3):-	1,37,55,803	7,16,850	1,44,72,653	47.00%	1,49,93,649	6,97,845	1,56,91,494	50.96%	(3.96%)
B. Total Public Shareholding (B) = (B) (1)+(B)(2) + (B)(3)	1,89,66,759	7,16,850	1,96,83,609	63.92%	1,89,82,806	6,97,845	1,96,80,651	63.91%	(0.01%)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,00,77,291	7,16,850	3,07,94,141	100.00%	3,00,96,296	6,97,845	3,07,94,141	100.00%	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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.	Easun Products of India Pvt Ltd.,	33,67,557	10.94	--	33,67,557	10.94	--	--
2.	Easun Engineering Company Limited	16,32,500	5.30	--	16,32,500	5.30	--	--
3.	Sowraj Investments Pvt Ltd.,	10,10,000	3.28	--	11,17,947	3.63	--	0.35
4.	Sowraj Investments Pvt Ltd	43,99,954	14.29	--	43,32,007	14.07	--	0.22

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	
5.	Raj Hari Eswaran	2,90,100	0.94	--	3,03,558	0.99	--	0.05
6.	Visalam Hari Eswaran	1,56,295	0.51	--	1,56,295	0.51	--	--
7.	Hari Eswaran	79,755	0.26	--	39,755	0.13	--	0.13
8.	Vinod Subramaniam	75,000	0.24	--	75,000	0.24	--	--
9.	Sowmya Hari Eswaran	24,775	0.08	--	24,775	0.08	--	--
10.	Sita Sankaran	20,004	0.06	--	20,004	0.06	--	--
11.	Saraswathi Venkataraman	12,075	0.04	--	12,075	0.04	--	--
12.	E Raman	11,455	0.04	--	11,455	0.04	--	--
13.	Eswaran And Sons Engineers Limited	11,050	0.04	--	11,050	0.04	--	--
14.	Meenakshi Subramaniam	9,505	0.02	--	9,505	0.03	--	--
15.	Anushka Raj Eswaran	5,250	0.02	--	--	--	--	0.02
16.	Prithvi Raj Eswaran	5,250	0.02	--	--	--	--	0.02
17.	E Krishnan	7	0.00	--	7	0.00	--	--
	Total	1,11,10,532	36.08	--	1,11,13,490	36.09	--	0.01

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

Sl. No.	Shareholding	No. of shares	% of total shares of the company
1.	At the beginning of the year	1,11,10,532	36.08
2.	Date wise Increase / Decrease in Promoters Shareholding during the year	2,958	0.01
3.	At the End of the year	1,11,13,490	36.09

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2016)		Shareholding at the end of the year (31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sundaram Mutual Fund A/C Sundaram Smile Fund	18,19,515	5.91	6,02,716	1.96
2.	Eastspring Investments India Infrastructure Equity Open Limited	14,99,989	4.87	14,99,989	4.87
3.	ICICI Prudential Infrastructure Fund	14,39,672	4.68	14,39,672	4.68
4.	K. Balasubramanian	6,98,588	2.27	6,98,588	2.27
5.	HDFC Trustee Company Limited - HDFC Infrastructure Fund	4,41,780	1.43	4,41,780	1.44
6.	B. Bharathan Kanthimathinathan	2,00,129	0.65	2,00,129	0.65
7.	B. Janarthanan Kanthimathinathan	1,93,985	0.63	1,93,985	0.63
8.	Zen Securities Limited	1,79,364	0.58	1,77,170	0.58
9.	Jayantilal Premji Shah	1,70,000	0.55	1,00,000	0.33
10.	Karvy Stock Broking Ltd.,	1,68,573	0.55	1,79,698	0.58

Note: The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on permanent account number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2016)		Shareholding at the end of the year (31.03.2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr Hari Eswaran – Director, Chairman	79,755	0.26%	39,755	0.13%
2.	Mr Raj H Eswaran – Managing Director	2,90,100	0.94%	3,03,558	0.99%
3.	Dr William Stanley Jones - Director	2,958	0.01%	-	-
4.	Mr Rakesh Garg – Director	2,958	0.01%	2,958	0.01%
5.	Ms Swetha Mandora Prajapathi - Directors	-	-	-	-
6.	Mr Sudhir Anand - KMP	-	-	-	-
7.	Mr A Kamatchinathan - KMP	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment [Rupees in lacs]

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year.				
i) Principal Amount	21,871.72	4,176.23	-	26,047.95
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,014.31	-	-	1,014.31
Total (i+ii+iii)	22,886.03	4,176.23	-	27,062.26
Change in Indebtedness during the financial year				
• Addition	3,008.80	-	-	3,008.80
• Reduction			-	-
Net Change	3,008.80	-	-	3,008.80
Indebtedness at the end of the financial year				
i) Principal Amount	25,894.83	4,176.23	-	30,071.06
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,995.19	-	-	2,995.19
Total (i+ii+iii)	28,890.03	4,176.23	-	33,066.26

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Key Managerial Personnel

[Rupees in lacs]

Sl. No.	Particulars of Remuneration	Mr Raj H Eswaran, Managing Director	Total Amount
1.	Gross salary	48.00	48.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	Nil	Nil
	(c) Profit in lieu of salary u/s 17(3) of Income Tax Act, 1961	Nil	Nil
2.	Stock option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	- as % of profits - others		
5.	Others	Nil	Nil
	Total	48.00	48.00
	Ceiling as per the Act	Rs.60 Lacs as per Schedule V	-

B. Remuneration to other Directors:

[Rupees in lacs]

Name of the Directors	Particulars of Remuneration			Total Amount
	Fee for attending board / committee meetings (*)	Commission	Others	
1. Independent Directors				
Dr William Stanely Jones	0.55	-	-	0.55
Mr Rakesh Garg	0.55	-	-	0.55
Ms Swetha Mandora Prajapati	0.25	-	-	0.25
Total (1)	1.35			1.35
2. Other Non-Executive Directors				
Mr Hari Eswaran	0.45	-	-	0.45
Total (2)	0.45	-	-	0.45
Total (B) = (1)+(2)	1.80	-	-	1.80
Total Managerial Remuneration (**)				Nil
Overall Ceiling as per the Act	1% of the net Profit			

(*) excluding reimbursement of travel and other expenses incurred for the Company's business / meetings.

(**) Due to insufficient profits during the year, the Board has decided to pay only sitting fees for attending the Committee and Board Meetings to Non-Executive Directors.

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

[Rupees in lacs]

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr A Kamatchinathan CFO*	Mr Sudhir Anand, Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21.00	10.85	31.85
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	0.78	0.78
	(c) Profit in lieu of salary u/s 17(3) of Income Tax At, 1961	-	0.10	0.10
2.	Stock option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profits - others	Nil	Nil	Nil
5.	Others	Nil	Nil	Nil
	Total	21.00	11.73	32.73

* Mr A Kamatchinathan joined as CFO & KMP w.e.f. 14.11.2016

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Following are the compounding of offences during the year ended 31st March, 2017.

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)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment			Nil		
Compounding					
C. Other officers in default					
Penalty					
Punishment					
Compounding					

Annexure – G to the Directors’ Report for the year ended 31st March, 2017 Management replies on the Qualifications made by Statutory Auditor’s

1. Note No. 31 - In respect of projects under Turn-key basis undertaken by the company, we have relied upon the management’s estimates in respect of stage of completion, costs to completion including provisions made for supplies to be effected and installation activities and on the projections of revenues expected from projects and realisability of work in progress and project receivables, whether confirmed or otherwise owing to the technical nature of such estimates, on the basis of which profits / losses have been accounted.

Management Reply: Since the Turnkey Projects were undertaken for various Government Projects, it is difficult to obtain their confirmation / certification under different stage of Completion of Projects.

2. Note No. 37 - Pending outcome of restructuring proposal for extension of repayment period for Foreign Currency Borrowings, the impact arising on account of foreign exchange fluctuation is being adjusted against the proposed extension period of loan term as per para 46A of Accounting Standard 11. In the event of proposed extension for loan period is not granted, an amount of Rs.341.58 lakhs will be charged to the Statement of Profit and Loss Account and consequently the loss will be higher to that extent.

Management Reply: Restructuring Proposal submitted by the company placed at the Joint Lender Meeting has considered deferment of payment of Foreign Currency Borrowing. Hence such reserve continued without writing off in compliance with para 46A of AS 11.

3. Note No. 46 - Balances due from and due by the company towards Long Term/ Short Term borrowings, debtors including electricity boards and creditors net off adjustments and including debit balances in creditor accounts and credit balances in debtors accounts, advances and Other Current assets in respect of which confirmations have not been received. Pending receipt of confirmation of balances and consequent adjustments on reconciliations, including differences on account of netted off balances of certain debtors and creditors, if any and the resultant impact on the financial statements including the operating results is not ascertainable at this stage.

Management Reply: Confirmation of Balance and Statements have not been received from Customers, Vendors etc. Since most of our customers are Government Departments, viz, State Electricity Boards, it is difficult to obtain confirmation of balance.

On Behalf of the Board of Directors

Place : Chennai
Date : 30th June, 2017

Independent Auditor's Report on Standalone Financial Statements

To the Members of EASUN REYROLLE LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of EASUN REYROLLE LIMITED which comprise of the Balance Sheet as at 31st March 2017, Statement of Profit & 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 Management and Board of Directors of the Company are 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 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 there under. 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 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 to the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 qualified audit opinion on the financial statements.

Basis for Qualified Opinion

- a) Note No. 31 in respect of projects under Turn-key basis undertaken by the company, we have relied upon the management's estimates in respect of stage of completion, costs to completion including provisions made for supplies to be effected and installation activities

and on the projection of revenues expected from projects and realisability of work in progress and project receivables, whether confirmed or otherwise owing to the technical nature of such estimates, on the basis of which profits / losses have been accounted.

- b) Note No. 37 with regard to pending outcome of restructuring proposal for extension of repayment period for Foreign Currency Borrowings, the impact arising on account of foreign exchange fluctuation is being adjusted against the proposed extension period of loan term as per para 46A of Accounting Standard 11. In the event of proposed extension for loan period not being granted, an amount of Rs.341.58 lakhs is being charged less to the Statement of Profit and Loss Account and consequently the loss will be higher to that extent.
- c) Note No. 46 with regard to balances due from and due by the company towards Long Term/ Short Term borrowings, debtors including electricity boards and creditors net off adjustments and including debit balances in creditor accounts and credit balances in debtors accounts, advances and Other Current assets in respect of which confirmations have not been received. Pending receipt of confirmation of balances and consequent adjustments on reconciliations, including differences on account of netted off of balances of certain debtors and creditors, if any and the resultant impact on the financial statements including the operating results is not ascertainable at this stage.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the 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 the Balance Sheet, of the state of affairs of the Company as at 31st March 2017; and
- b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date.
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Attention is drawn to the following

Our opinion is not qualified in respect of following matter for which there were any material foreseeable losses.

- a) Note No. 8 with regard to Unpaid Statutory dues amounting to Rs.538.88 lakhs, the consequential penalties and interest thereon are not provided for and the amount is not quantifiable.
- b) Note No. 14 with regard to Stock in Transit lying at Customs Bonded Warehouse for Rs.500.11 lakhs which is subject to confirmation from customs department. Out of the above, inventory valuing Rs.314.78 lakhs is pending clearance from Customs Warehouse for more than 3 years and in respect of which impairment if any is not ascertainable at this stage.
- c) Note No. 33 towards filing status and reconciliation of statutory returns across project sites at various states, interest / penalty for non-compliance if any is not ascertainable at this stage

- d) Note No. 34 with regard to Liquidated Damages recovered by the customers of Turnkey projects from running bills amounting to Rs.1224.75 lakhs is pending final adjustment, as the same are under negotiation and the company is seeking waiver of the same. In the opinion of the management the levy of liquidity damages by the Turnkey customers is completely incorrect and the company envisages no obligation under liquidated damages, hence in the opinion of the company no claim shall be entertainable in as much as there are no proven damages made out by the claiming parties. Pending outcome of the ongoing negotiations pertaining to claim of Liquidated Damages so adjusted in the running bills the eventual obligation is not quantifiable at this stage and hence not provided for.
- e) Note No. 35 with regard to Pending approval of RBI towards extension of time limit as stipulated in the FEMA Regulations in respect of dues from the foreign customers amounting to Rs.1345.29 lakhs and any possible impact arising on account of this non-compliance is not provided for as the same is not quantifiable at this stage.
- f) Note No. 36 towards impairment on investments in subsidiaries including fellow subsidiaries not being provided, considering the future projections by the management and the long term strategic nature of investment.
- g) Note No. 44 with regard to the value of inventory pertaining to the 'Metering Business' amounting to Rs.350.51 lakhs is continued to be carried at cost even though there is no active business for considerable period, pending ascertainment of alternative markets for utilizing the inventories, the realizable value has not been ascertained, consequently the impact on the financial statements is not quantifiable.
- h) Note No. 45 with regard to certain turnkey projects which have been terminated by the customers resulting in encashment of bank guarantees given by the company amounting to Rs.6405.34 lakhs (net) has been shown recoverable from parties in respect of which negotiation with the customers are stated to be in progress and part of guarantees are sub-judice. Pending the outcome of legal proceedings and negotiations with customers, the eventual impact if any on account of unilateral termination of the contract by the parties is not quantifiable till the judicial proceedings are finalized and hence not provided for.
- i) Note No. 47 with regard to appropriate consents as required under FEMA Rules in respect of extension of time limits for receipts of material advances to associate enterprises to the extent of Rs.624.19 lakhs, the company has applied seeking extension and is awaiting the consent.
- j) Note No. 48 with regard to Interest on cash Credit facility held with SBI being provided at latest available sanction rate thereby resulting in lesser interest cost to the extent of Rs.432.25 lakhs compared to the latest prevailing interest rate being levied by SBI and not accepted by the company.
- k) Note No.50 with regard to the Financial Statement being prepared on the basis of going concern assumption. The appropriateness of assumption of going concern is dependent upon Company's ability to raise requisite finance/generate cash flows in future to meet its obligations including the increasing current liabilities compared to the current assets.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2016, ('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, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 purpose of our *audit excepting the statutory returns filed at project sites*.
 - b. In our opinion, proper books of account as required by law *excepting the statutory returns and records to be maintained at project sites*, have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the 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 *excepting Accounting Standard 11*.
 - e. On the basis of written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, there is no disqualification of directors as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
 - g. With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audits and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:-
 - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) The amounts required to be transferred to the Investor Education and Protection fund by the Company have been transferred.
 - d) The Company has provided disclosures in Note 16 to the standalone financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, the total receipts, total payments and total amount deposited in banks are in accordance with the books of account maintained by the Company.

For Brahmayya & Co
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No.026575

Place : Chennai

Date : 30th June, 2017

For R Subramanian and Company LLP
Chartered Accountants
FRN: 004137S/S200041

K Jayashankar
Partner
Membership No.14156

Annexure - A to the Auditors' Report

The Annexure referred to in Paragraph under the heading "Report on other legal and regulatory requirements" of our Report of even date to the members of EASUN REYROLLE LIMITED on the accounts of the company for the year ended 31st March, 2017:

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) As explained to us, these fixed assets have been physically verified by the management at regular intervals which however, in our opinion needs to be strengthened further having regard to the size of the company and nature of assets. As informed to us no material discrepancies were noticed on such verification;
(c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. (a) The Stock of Finished Goods, Stores and Spare Parts and Raw Materials except stock lying with sub-contractors and project sites for which confirmation have been sought for, have been physically verified at year end as per programme of verification drawn up by the management.
(b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
(c) On the basis of the records examined by us and relying on the information provided to us, in our opinion, the Company is maintaining proper records of inventories and no material discrepancies were noticed on physical verification as compared to the book record of inventories.
3. The Company has granted interest free advances to wholly owned overseas subsidiary and two step down subsidiaries. The outstanding balance at year end amounted to Rs.2771.07 lakhs.
(a) The terms of advance given are not prima facie prejudicial to the interests of the company.
(b) In the absence of any specific terms as regards the term of advance and terms of repayment of the advances given, we are unable to comment on the same.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
6. We have broadly reviewed the books of accounts and records maintained by the Company relating to the manufacture of Electrical Machinery, pursuant to the Rules made by the Central Government for maintenance of Cost Records under sub-section (1) of Section 148 of Act and are of the opinion that prima facie, the records

maintained by the company are to be augmented. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

7. (a) According to the information and explanations given to us, except for the undisputed statutory dues representing Fringe Benefit Tax of Rs.9.21 lakhs, Service Tax of Rs.102.16 lakhs, Professional Tax of Rs.12.86 lakhs, Value Added Tax of Rs.13.50 lakhs, Employee's Provident Fund of Rs.175.09 lakhs, Tax Deducted at Source (TDS) of Rs.265.86 lakhs, Income Tax of Rs.59.15 lakhs (the Company requested the Income Tax department to adjust with refund of Rs.144.64 lakhs against AY 2013-14), no other statutory dues were outstanding at year end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, on the basis of examination of records of the Company, the following dues have not been deposited with the appropriate authorities on account of dispute

Name of the Statute	Financial year to which the matter pertains	Forum where the matter is pending	Rs. in Lakhs
The Income Tax Act, 1961	2002-03	Tribunal (Appeals)	*47.85
The Income Tax Act, 1961	2003-04	Tribunal (Appeals)	*26.13
The Income Tax Act, 1961	2005-06	CIT (Appeals)	#55.42
The Income Tax Act, 1961	2006-07	-	59.72
The Income Tax Act, 1961	2007-08	CIT (Appeals)	*306.33
The Income Tax Act, 1961	2008-09	CIT (Appeals)	@57.59
The Income Tax Act, 1961	2009-10	CIT (Appeals)	@2,012.79
The Income Tax Act, 1961	2010-11	CIT (Appeals)	@108.86
The Income Tax Act, 1961	2011-12	CIT (Appeals)	@63.81
The Karnataka Value Added Tax Act,2003	2009-10	VAT (Appeals)	**20.62
The West Bengal Value Added Tax Act, 2003	2009-10	VAT (Appeals)	6.18
The Tamil Nadu Value Added Tax Act, 2006	2006-07	-	&37.98
The Tamil Nadu Value Added Tax Act, 2006	2007-08	-	@8.38
The Tamil Nadu Value Added Tax Act, 2006	2008-09	-	@29.63
The Tamil Nadu Value Added Tax Act, 2006	2009-10	-	@30.44
The Tamil Nadu Value Added Tax Act, 2006	2010-11	-	@104.94
The Tamil Nadu Value Added Tax Act, 2006	2011-12	-	@282.01
The Customs Act, 1962	2011-12	CESTAT	#66.38

paid

* Adjusted against refund

** Rs.3 lakhs Paid

@ Unpaid

& Rs.5 Lakhs paid, Rs.14.21 Lakhs adjusted against refund and Balance not paid

8. Based on our audit procedures and on the basis of information and explanations given by the management, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders except for the loans which has been tabulated below.

Name of the Bank	Overdue Amount In Lakhs	Due Since
Standard Chartered Bank	1,643.25	August 2015
DBS Bank	2,464.88	February 2015
State Bank of India	10,484.39	September 2016
Standard Chartered Bank	3,236.37	September 2016
Axis Bank	1,020.99	September 2016
Canara Bank	3,963.73	September 2016

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3(ix) of the Order is not applicable.
10. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration amounting to Rs.48,00,000 which is within the limits specified under section 197 of Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934

For Brahmayya & Co
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No.26575

Place : Chennai

Date :30th June, 2017

For R Subramanian and Company LLP
Chartered Accountants
FRN: 004137S/S200041

K Jayashankar
Partner
Membership No.14156

Annexure - B to the Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of
Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of EASUN REYROLLE LIMITED ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those

policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

According to the information and explanations given to us and based on the reports issued on internal controls over financial reporting, certain material weakness have been identified as at 31 March 2017 concerning design and implementation of internal control components, which as represented by the management are in the process of being remediated. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

Opinion

In our opinion, except for the effects of material weakness described in the Basis for Qualified Opinion Paragraph, in all material respects, maintained adequate internal financial control over financial reporting and were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Brahmayya & Co
Chartered Accountants
FRN: 000511S

N Sri Krishna
Partner
Membership No.26575

For R Subramanian and Company LLP
Chartered Accountants
FRN: 004137S/S200041

K Jayashankar
Partner
Membership No.14156

Place : Chennai

Date : 30th June, 2017

Balance Sheet as at 31st March, 2017

Rs. in Lakhs

Particulars	Note No.	For the Year ended 31st March 2017	For the Year ended 31st March 2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	615.88	615.88
(b) Reserves and Surplus	3	10,956.65	15,526.93
		11,572.53	16,142.81
(2) Non-current Liabilities			
(a) Long-term borrowings	4	4,176.23	4,176.23
(b) Long-term Provisions	5	68.16	49.68
		4,244.39	4,225.91
(3) Current Liabilities			
(a) Short-term borrowings	6	21,709.89	17,724.47
(b) Trade payables	7	7,765.22	12,692.02
(c) Other current liabilities	8	10,430.28	8,468.78
(d) Short-term provisions	9	163.09	163.09
		40,068.48	39,048.36
Total		55,885.40	59,417.08
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	7,171.80	7,658.34
(ii) Intangible Assets		148.55	279.53
		7,320.35	7,937.87
(b) Non-Current Investments	11	15,502.10	15,502.10
(c) Long-term loans and advances	12	3,691.01	3,666.36
(d) Other Non current assets	13	500.23	181.79
		27,013.69	27,288.12
(2) Current Assets			
(a) Inventories	14	3,339.13	3,712.55
(b) Trade receivables	15	16,954.17	20,405.73
(c) Cash and Bank Balances	16	54.36	423.57
(d) Short-term loans and advances	17	8,491.73	7,551.17
(e) Other current assets	18	32.32	35.94
		28,871.71	32,128.96
Total		55,885.40	59,417.08

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Financial Statements

As per our Report of even date annexed

For BRAHMAYYA & CO.
Chartered Accountants
Firm Regn No : 000511S

For R SUBRAMANIAN & COMPANY LLP
Chartered Accountants
Firm Regn No : 004137S/S200041

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
DIN 00195354

Rakesh Garg
Director
DIN 00240379

N Sri Krishna
Partner
Membership No: 026575

K Jayashankar
Partner
Membership No: 014156

A.Kamatchinathan
Chief Financial
Officer

Sudhir Anand
Head - Legal &
Company Secretary

Place : Chennai
Date : 30th June, 2017

Statement of Profit and Loss for the year ended 31st March, 2017

Rs. in Lakhs

Particulars	Note No.	For the Year ended 31st March 2017	For the Year ended 31st March 2016
1 Revenue from operations	19	2,779.74	3,503.61
2 Other income	20	480.16	669.42
3 Total Revenue (1+2)		3,259.90	4,173.03
4 Expenses			
(1) Cost of Materials Consumed	21	1,788.42	2,043.15
(2) Change in Inventory	22	79.97	60.36
(3) Employee benefit expense	23	1,298.83	1,157.97
(4) Finance costs	24	3,184.70	2,731.72
(5) Depreciation and amortization expense	10	626.89	730.91
(6) Other expenses	25	1,061.93	1,134.85
Total expenses		8,040.74	7,858.96
5 Profit before exceptional and extraordinary items and tax (3-4)		(4,780.84)	(3,685.93)
6 Exceptional items		78.85	801.45
7 Profit before extraordinary items and tax (5-6)		(4,859.69)	(4,487.38)
8 Extraordinary Items		-	-
9 Profit before tax (7- 8)		(4,859.69)	(4,487.38)
10 Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) MAT Credit Availment		-	-
11 Profit after tax for the year from continuing operations (09-10)		(4,859.69)	(4,487.38)
12 Earnings per equity share (in Rs)			
(1) Basic (Face Value Rs.2 each fully paid up)		(15.78)	(14.57)
(2) Diluted (Face Value Rs.2 each fully paid up)		(15.78)	(14.57)

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Financial Statements

As per our Report of even date annexed

For BRAHMAYYA & CO.
Chartered Accountants
Firm Regn No : 000511S

N Sri Krishna
Partner
Membership No: 026575

Place : Chennai
Date : 30th June, 2017

For R SUBRAMANIAN & COMPANY LLP
Chartered Accountants
Firm Regn No : 004137S/S200041

K Jayashankar
Partner
Membership No: 014156

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
DIN 00195354

A.Kamatchinathan
Chief Financial
Officer

Rakesh Garg
Director
DIN 00240379

Sudhir Anand
Head - Legal &
Company Secretary

Cash flow statement for the year ended 31st March, 2017

Particulars	For the Year ended 31st March 2017	<i>Rs. in Lakhs</i> For the Year ended 31st March 2016
A Cash flow from operating activities:		
Net profit before tax and extraordinary items	(4,859.69)	(4,487.38)
Adjusted for:		
Depreciation	626.89	730.91
Liquidated Damages adjusted by customers	-	107.69
Interest Expense	3,184.70	2,731.72
Interest Income	(9.31)	(74.92)
Unrealised Forex fluctuation in Drs and Crs	(289.41)	456.46
Operating profit before Working Capital changes	(768)	(535.52)
Changes in working capital		
Trade and other receivables	3,451.56	7,907.98
Inventories	373.42	129.94
Short term Loans, Advances and provision	(933.12)	(4,156.53)
Trade Payables and other Current Liabilities	(2941.88)	(5,598.48)
Cash generated from operations	(818.01)	(2,252.61)
Direct Taxes	(3.82)	(34.76)
Net cash from operating activities	(821.83)	(2,287.37)
B Cash flow from Investing activities:		
Purchase of Fixed Assets	(9.37)	(3.12)
Interest received	9.31	74.92
Long term Loans and Advances	(24.65)	11.02
Margin Money Accounts and Deposits	(39.31)	1,098.14
Net cash from Investing activities	(64.02)	1,180.96
C Cash flow from financing activities:		
Proceeds of Rights Issue of Equity Shares	-	-
Increase / (Decrease) in Term Loans	-	(937.50)
Increase / (Decrease) in Short term borrowings	3,985.42	4,792.05
Interest paid	(3,184.70)	(2,731.72)
Net Cash from financing activities	800.72	1,122.83
Increase / (Decrease) in cash and cash equivalent	(85.13)	16.42
Cash and cash equivalent at the beginning of the year	117.19	100.77
Cash and cash equivalent at the close of the year	32.06	117.19
Reconciliation of Cash and Cash Equivalents		
Cash and Bank Balances as per Balance Sheet	54.36	423.57
Less: Margin Money Accounts considered as Investing Activity	-	279.13
Less: Fixed Deposits in Bank accounts considered in Investing Activity	9.92	9.92
Less: Unpaid Dividend Accounts	12.38	17.33
Cash and Cash Equivalents as per Cash Flow Statement	32.06	117.19

1. The above Cash Flow Statement has been prepared under the “Indirect method” as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
 2. Previous year’s figures have been regrouped/rearranged wherever necessary to conform to the current year’s presentations.
-

As per our Report of even date annexed

For BRAHMAYYA & CO.
Chartered Accountants
Firm Regn No : 000511S

N Sri Krishna
Partner
Membership No: 026575

Place : Chennai
Date : 30th June, 2017

For R SUBRAMANIAN & COMPANY LLP
Chartered Accountants
Firm Regn No : 004137S/S200041

K Jayashankar
Partner
Membership No: 014156

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
DIN 00195354

A.Kamatchinathan
Chief Financial
Officer

Rakesh Garg
Director
DIN 00240379

Sudhir Anand
Head - Legal &
Company Secretary

Notes to the Financial Statements

1 SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued under the Companies (Accounting Standards) Rules 2006 and the relevant provisions of the Companies Act, 2013 as adopted consistently by the company. Revenues are recognised and expenses are accounted on their accrual, including provisions / adjustment for committed obligations and amounts determined as payable or receivable during the year.

Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. The actual results may differ from these estimates.

B. Revenue Recognition

Sale of goods and services is recognised on dispatch to customers or when the service has been provided. Income from turnkey projects is recognised on the Gross Billing exclusive of applicable sales/service taxes and based on work certified. Interests on deposits are recognised on time proportion basis taking into account the amount of deposit and interest. Export incentives such as DEPB benefits are recognized on exports of goods.

C. Fixed Assets and Intangibles

Fixed assets are stated at cost of acquisition inclusive of freight, duties, taxes and interest on borrowed capital allocated to and utilized for fixed assets upto the date of capitalization and other direct expenditure incurred on ongoing projects. Assets acquired on hire purchase are capitalised at gross value and interest thereon is charged to revenue.

Cost incurred on self generated intangibles which are separately identifiable are amortised over the useful life of the asset.

Borrowing costs directly attributable to the acquisition, construction and production of qualifying assets are capitalised till the month in which the asset is ready for its intended use. Other borrowing costs are recognised as expenses in the period in which these are incurred.

D. Depreciation

Depreciation on tangible assets has been provided on the carrying value of assets under straight line method in accordance with Schedule II of the Companies Act, 2013 adopting the useful for assets as specified there in and reckoning the residual value at 5% of the original cost of the Asset.

Intangible Assets - Product development is depreciated @ 20% under Straight Line Method.

E. Inventories

- a) Inventories other than tools are valued at lower of cost or net realisable value. Cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present locations and condition. Cost is determined on weighted average basis.
- b) Tools are written off at cost less amortization. Amortization of tools are made based on technical evaluation.

F. Foreign Currency Transactions

Transactions in foreign exchange are initially recognised at the rates prevailing on the date of transaction. Premium or discount arising at the inception of forward contract is amortized as income or expenses over the life of the contract. Exchange difference on such contracts is recognized in the reporting period in which the exchange rate changes.

All monetary assets and liabilities are restated at the balance sheet date using year end rates. Resultant exchange difference is recognized as income or expenses in that period.

G. Employee Benefits

The company's contributions to provident fund, a defined contribution scheme is charged to profit & loss account on accrual basis.

Liability for gratuity is funded with Life Insurance Corporation of India (LIC). Gratuity expense for the year has been accounted based on actuarial valuation determined under the projected credit unit method, carried out at the end of financial year. Actuarial gains/losses are recognised in full in the profit and loss account. The retirement benefit obligation recognised in the balance sheet represents the present value of defined benefit obligations adjusted for unrecognized past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost plus the present value of available refunds and reduction in future combinations to the scheme.

Superannuation Liabilities have been covered by Master Policies of Life Insurance Corporation of India under irrevocable trust. Annual premium on accrual basis are charged to profit & loss account.

Liability for encashment of leave considered to be long term liability is accounted for on the basis of an actuarial valuation as per revised AS-15. Provision for outstanding leave credits considered as short term liability is as estimated by the management. Other short term employee benefits like medical, leave travel etc are accrued based on the terms of employment on time proportion basis.

H. Investments

Long term investments are stated at cost less diminution in the value of investments that is other than temporary. Current Investments are carried at lower of cost and fair value. Overseas investments are converted on the date of transaction.

I. Expenditure

Subject to Note No.30 below, Revenue expenditure is charged as an expense in the year in which it is incurred. Capital Expenditure is included in fixed assets and depreciated at applicable rate.

Expenditure incurred towards selling expenses, is accounted as expenditure in proportion to the sale income recognised.

Expenditure incurred towards opening of Bank Guarantee in relation to turnkey project activities and others, the same is prorated over the life of the bank guarantee.

J. Warranty Claims and Liquidated Damages

Future liability towards warranty claims are estimated and provided for Liquidated damages are recognised in the books of accounts on actual crystallization.

K. Taxes on Income

Current taxes is determined as the amount payable in respect of taxable income for the period. Deferred tax is recognised subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal of in one or more subsequent periods.

MAT Credit is recognized as an asset only when and to the extent there is a convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the Minimum Alternate Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as a MAT Credit Entitlement.

L. Customs and Excise duty

Excise duty on finished goods stock lying at the factory is accounted at the point of manufacture. Customs Duty on imported material lying in bonded warehouse is accounted for at the time of bonding of materials.

M. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in accounting standard 3, issued by Companies (Accounting Standards) Rules 2014.

N. Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not provided but disclosed in the notes to financial statements.

O. Impairment of Fixed Assets

The carrying amount is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any indication exists, the recoverable amount is estimated. An impairment loss is recognised whenever carrying amount exceeds recoverable amount.

P. Earnings per Share

The company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on “Earnings per Share”. Basic EPS is computed by dividing the net profit or loss attributable to equity share holders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti dilutive.

Notes to the Financial Statements

2. Share Capital

Rs. in Lakhs

Particulars	As at	
	31 st March 2017	31 st March 2016
Authorised Share Capital:		
7,50,00,000 (7,50,00,000) Equity Shares of Rs.2 each	1,500.00	1,500.00
50,00,000 (50,00,000) Preference Shares of Rs.10 each	500.00	500.00
Issued Share Capital:		
3,07,95,639 (3,07,95,639) Equity Shares of Rs.2 each	615.90	615.90
Subscribed and Paid up Capital:		
3,07,94,141 (3,07,94,141) Equity Shares of Rs.2 each fully paid up	615.88	615.88
Total	615.88	615.88

2.1 Reconciliation of number of shares

Particulars	As at 31 st March 2017		As at 31 st March 2016	
	No. of Shares held	Amount	No. of Shares held	Amount
Balance at the beginning of the year	3,07,94,141	615.88	3,07,94,141	615.88
Add: shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the year	3,07,94,141	615.88	3,07,94,141	615.88

2.2 Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the Company

Particulars	As at 31 st March 2017		As at 31 st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sowraj Investments Pvt Ltd	54,49,954	17.70%	54,09,954	17.57%
Easun Products of India Pvt Ltd	33,67,557	10.94%	33,67,557	10.94%
Easun Engineering Company Ltd	16,32,500	5.30%	16,32,500	5.30%
Sundaram Mutual Fund A/c	6,02,716	1.96%	18,19,515	5.91%

3. Reserves and Surplus

Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Capital Reserve		
Opening Balance	714.34	714.34
Add: Amount transferred on forfeiture of Share warrant	-	-
Less: Deductions	-	-
Closing Balance	714.34	714.34
Government Subsidy	40.42	40.42
Securities Premium Account		
Opening Balance	15,505.77	15,505.77
Add: Amount transferred on allotment of ESOPs	-	-
Add: Premium on Rights Issue	-	-
Less: Expenses for Rights Issue	-	-
Closing Balance	15,505.77	15,505.77
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	(630.99)	(1,110.07)
Add: Exchange Loss capitalised during the year	368.26	322.37
Less: Amortisation during the year	78.85	801.45
Closing Balance	(341.58)	(630.99)
General Reserve		
Opening Balance	9,546.39	9,546.39
Add: Transfer From Statement of Profit and Loss	-	-
Less: Deductions	-	-
Closing Balance	9,546.39	9,546.39
Surplus in Statement of Profit and Loss		
Opening Balance	(9,649.00)	(5,161.62)
Add: Transitional Depreciation Adjustment	-	-
Add: Profit for the year	(4,859.69)	(4,487.38)
Less: Proposed dividend	-	-
Less: Tax on Proposed dividend	-	-
Less: Transfer to General Reserve	-	-
	(14,508.69)	(9,649.00)
Total	10,956.65	15,526.93

4. Long Term Borrowings

Particulars	As at 31 st March 2017	As at 31 st March 2016
Unsecured Loans		
Inter Corporate Deposits	4,176.23	4,176.23
	4,176.23	4,176.23

4.1 Security Clause

Term Loans

Bank	Properties at	
	Hosur Factory: Land, Building and Plant & Machinery	Industrial Land and building at Harohalli, Kanakapura Taluk, Ramanagaram District
Axis Bank	Second Charge	First Charge
DBS Bank	Second Charge	First Charge
Standard Chartered Bank	Second Charge	First Charge

4.2 The details of Long Term Borrowings are as follows

Particulars	Repayment Start Date	O/s Amt as on 31st March 2017	Current Maturities	Interest Rate	Instalment Amount
<i>External Commercial Borrowings (Fully Un-Hedged)</i>					
Standard Chartered Bank Ltd (Repayable in 3 Half yearly Instalments) * (USD - 2.5 million) # @	Aug-12	1,643.25	1,643.25	4.35%	821.63
<i>External Commercial Borrowings (Fully Hedged)</i>					
DBS Bank Ltd (Repayable in 5 Half yearly Instalments) (USD - 3.75 million) # @	Aug-12	2,464.88	2,464.88	4.35%	492.98
Total		4,108.13	4,108.13		1,334.60

* Amount varies as per the exchange rate on the date of repayment

O/s as on 31.03.2017

Delay in repayment of instalment which has been paid after 31st March 2017.

Unsecured Loans

4.3 Unsecured Term Loan from Sowraj Investments Pvt. Ltd., and Easun Products of India Pvt. Limited do not carry any interest. The Company is making necessary efforts to repay this loan against business realisation.

5. Long-term provisions

Particulars	As at 31 st March, 2017	As at 31 st March 2016
Provision for employee benefits		
- Leave Encashment	30.43	29.38
- Gratuity	37.73	20.31
Total	68.16	49.68

6. Short-term borrowings

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured From Banks		
- Cash Credits facilities availed	21,709.89	17,724.47
Total	21,709.89	17,724.47

6.1 Working Capital

a. Primary Security

Hypothecation of entire current assets including stocks, receivables and other current assets of the Company on pari-passu basis favouring Axis Bank, DBS Bank, Standard Chartered Bank, Canara Bank and State Bank of India.

b. Collateral Security

Bank	Properties	
	Hosur Factory: Land, Building and Plant & Machinery	Industrial Land and building at Harohalli, Kanakapura Taluk, Ramanagaram District
Axis Bank	Second Charge@	First Charge#
DBS Bank	Second Charge@	First Charge#
Standard Chartered Bank	Second Charge@	First Charge#
Canara Bank	Second Charge@	Second Charge@
State Bank of India	First Charge#	Second Charge@

@ on pari-passu basis among Axis Bank, DBS Bank, Standard Chartered Bank and Canara Bank.
by way of primary security

7. Trade Payables

Rs. in Lakhs

Particulars	As at	As at
	31 st March 2017	31 st March 2016
Micro, Small and Medium Enterprises (Refer Note 7.1)	238.00	152.29
Other Enterprises	6,438.86	11,534.36
Related Parties	1,088.36	1,005.37
Total	7,765.22	12,692.02

7.1 Based on, and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and relied upon by the auditors, the relevant particulars as at 31st March 2017 are furnished below

Particulars	As at	As at
	31 st March 2017	31 st March 2016
Principal Amount Due to Suppliers	238.00	152.29
Interest Accrued and due to the suppliers under MSMED Act, on the above amount	157.92	38.50
Payment made to suppliers (other than interest) beyond the appointed date	176.84	22.14
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	13.24	1.45
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	171.17	39.95

8. Other Current Liabilities

Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
A. Secured		
Current Maturities of Long Term Debt:		
(a) Foreign Currency Term loans from Banks		
Standard Chartered - ECB (Refer 4.1)	1,643.25	1,628.00
DBS Bank - ECB (Refer 4.1)	2,464.88	2,519.25
Total A	4,108.13	4,147.25
B. Unsecured		
Interest Accrued and due on borrowings	2,955.19	1,014.31
Other Payables		
Employee Related	608.00	525.85
Expenses, Service & Contract Payables	192.80	193.34
Advances from Customers	1,974.90	2,083.64
Unpaid Dividend Payable	12.38	17.33
Statutory Dues Payables	538.88	487.07
Total B	6,322.15	4,321.53
Total (A+B)	10,430.28	8,468.78

9. Short-term provisions

Particulars	As at 31 st March 2017	As at 31 st March 2016
Provision for Employee Benefits		
Leave Encashment	14.79	14.79
Gratuity	22.89	22.89
Other Provisions		
Warranty Claim Reserve (refer 9.1)	125.41	125.41
Dividend Payable	-	-
Total	163.09	163.09

9.1 Warranty Claim Reserve

Particulars	As at 31 st March 2017	As at 31 st March 2016
At the beginning of the year	125.41	130.36
Created during the year	-	-
Utilised during the year	-	4.95
At the end of the year	125.41	125.41

Note

Provision for warranties is estimated on past experience and technical estimates

10. Fixed Assets

Particulars	Gross Block				Depreciation			Net Blok		
	As at 1-Apr-16	Additions	Deductions	As at 31-Mar-17	As at 1-Apr-16	For the year	Retained Earnings	Deletion	As at 31-Mar-17	As at 31-Mar-16
(a) Tangible Assets										
Land	2.31	-	-	2.31	-	-	-	-	2.31	2.31
Land - Leasehold	998.98	-	-	998.98	-	-	-	-	998.98	998.98
Land - Hosur Residential Plots	4.29	-	-	4.29	-	-	-	-	4.29	4.29
Buildings	4,209.77	6.79	-	4,216.56	742.92	116.48	-	-	859.40	3,357.16
Buildings - Leasehold	5.26	-	-	5.26	2.51	0.66	-	-	3.17	2.75
Plant and Machinery	5,001.27	1.34	-	5,002.61	2,444.61	155.29	-	-	2,599.90	2,402.71
Office equipments	412.01	-	-	412.01	377.80	24.05	-	-	401.85	10.16
Furniture	590.03	0.23	-	590.26	333.98	135.34	-	-	469.32	120.94
Research And Development	722.01	-	-	722.01	385.76	63.06	-	-	448.82	273.19
Total	11,945.92	8.36	-	11,954.28	4,287.58	494.88	-	-	4,782.46	7,171.80
Previous Year	11,942.80	3.12	-	11,945.92	3,745.09	542.49	-	-	4,287.58	7,658.34
(b) Intangible Assets										
Technology Know-how	550.44	-	-	550.44	550.44	-	-	-	550.44	-
Computer Software	11.69	-	-	11.69	11.69	-	-	-	11.69	-
Intangible Asset - Product devel	1,264.57	1.02	-	1,265.59	985.05	131.99	-	-	1,117.04	148.55
Total	1,826.70	1.02	-	1,827.72	1,547.19	131.99	-	-	1,679.17	148.55
Previous Year	1,826.70	-	-	1,826.70	1,358.77	188.42	-	-	1,547.19	-
Grand Total	13,772.62	9.38	-	13,782.00	5,834.77	626.87	-	-	6,461.63	7,320.35
Previous Year	13,769.50	3.12	-	13,772.62	5,103.86	730.91	-	-	5,834.77	7,658.34

11. Non-current investments
Rs. in Lakhs

Particulars	No. of Shares	Rs. in Lakhs	
		As at 31 st March 2017	As at 31 st March 2016
Non Trade Investments - Unquoted (At Cost)			
In ERL International Pte Ltd- Singapore			
Equity Shares of USD 1 each fully paid up	300,000	118.68	118.68
7.5% Non cumulative redeemable convertible Preference Shares of USD 1 each fully paid up	9,700,000	5,146.82	5,146.82
Non cumulative redeemable convertible Preference Shares of USD 1 each fully paid up	22,000,000	10,236.60	10,236.60
Total		15,502.10	15,502.10

12. Long-term loans and advances

Particulars	Rs. in Lakhs	
	As at 31 st March 2017	As at 31 st March 2016
Unsecured, Considered Good unless otherwise stated		
Capital Advances	-	200.72
Security Deposits and Earnest Money Deposits	205.63	184.53
Loans and advances to related parties	2,771.07	2,554.86
Prepaid expenses	24.89	40.64
Income Tax Refund Receivable (Net)	689.42	685.60
Total	3,691.01	3,666.36

13. Other non-current assets

Particulars	Rs. in Lakhs	
	As at 31 st March 2017	As at 31 st March 2016
Deposits with Bank		
Term Deposits maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current	500.23	181.79
Total	500.23	181.79

14. Inventory

Particulars	Rs. in Lakhs	
	As at 31 st March 2017	As at 31 st March 2016
((Lower of Cost and estimated Net Realisable Value))		
Raw Materials and Components	2,130.12	2,282.08
Work In Progress	365.55	355.58
Finished Goods	331.95	421.89
Packing Materials	5.65	8.06
Stock in Transit - Raw Materials & Components	500.11	639.93
Stores and Spares	5.75	5.01
Total	3,339.13	3,712.55

15. Trade Receivables
Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Unsecured, Considered Good unless otherwise stated		
Outstanding for a period exceeding six months	14,614.33	17,367.07
Other Receivables	1,391.12	2,019.01
Related Parties		
Outstanding for a period exceeding six months	812.40	866.40
Other Receivables	136.32	153.25
Total	16,954.17	20,405.73

16. Cash and Bank Balances

Particulars	As at 31 st March 2017	As at 31 st March 2016
Cash and cash equivalents		
Cash on Hand	2.91	93.21
Balances with banks in Current Accounts	29.15	23.98
Balances in Earmarked Accounts		
Unpaid Dividend Accounts	12.38	17.33
Bank Deposits		
Bank Deposits with maturity less than 3 months	-	-
Bank Deposits with maturity more than 3 months but less than 12 months	9.92	9.92
Bank Deposit with maturity more than 3	-	-
Margin Money Deposits		
Margin Money Deposits maturing after 12 months	500.23	181.79
Margin Money Deposits maturing within 12 months	-	279.13
Less: Term Deposits maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current	500.23	181.79
Total	54.36	423.57

Disclosing reporting requirement as per Notification GSR 308(E) dated 30th March 2016 issued by MCA

	SBN	Other Bank Notes	Total
Closing Cash Balance as on 8th November 2016	0.34	1.86	2.20
(+) Permitted Receipts	-	3.06	3.06
(-) Permitted Receipts	-	3.57	3.57
(-) Amount Deposited in Banks	0.34	-	0.34
Closing Cash Balance as on 30th December 2016	-	1.35	1.35

17. Short-term loans and advances

Particulars	As at 31 st March 2017	As at 31 st March 2016
Advance to suppliers	602.23	608.18
Advance to suppliers - Related Parties	624.19	624.19
Advance to Employees	102.16	13.98
Rental Advance	13.88	16.31
Prepaid Expenses	4.34	9.16
Other Receivables	6,420.14	5,485.09
Statutory Receivables (Input Credits)	724.79	794.25
Total	8,491.73	7,551.17

18. Other current assets
Rs. in Lakhs

Particulars	Year ended 31 st March 2017	Year ended 31 st March 2016
Interest Accrued on Short term deposit	0.09	0.09
Interest Accrued on Bank Guarantee Margin	32.23	35.85
Total	32.32	35.94

19. Revenue from Operations

Particulars	Year ended 31 st March 2017	Year ended 31 st March 2016
Sale of products (Refer 19.1)	2,886.56	3,456.32
Sale of services	62.33	179.34
Other operating revenues	5.60	9.69
	2,954.49	3,645.35
Less: Excise duty	174.75	141.74
Total	2,779.74	3,503.61

19.1 Sale of Products (net of Excise Duty except Projects) comprises of the following

Particulars	Year ended 31 st March 2017	Year ended 31 st March 2016
Relays and Control Panels	2,978.76	2,913.19
Ring Main Units (RMU)	17.78	20.76
Switchgear	33.38	102.51
Projects	-	278.11
Sales Return	(318.11)	
Add : Excise Duty	174.75	141.74
Total	2,886.56	3,456.32

20. Other Income

Particulars	Year ended 31 st March 2017	Year ended 31 st March 2016
Interest Income	9.31	74.92
Realisation of Debts written off in earlier years	0.01	0.14
Foreign Exchange Gains	-	80.34
Trade Incentives	-	4.40
Miscellaneous Income	470.84	509.62
Total	480.16	669.42

21. Cost of Material Consumed

Particulars	Rs. in Lakhs	
	As at 31 st March 2017	As at 31 st March 2016
Opening Stock		
Raw Materials and Components	2,282.08	2,430.18
Add: Purchases	1,636.46	1,895.05
	<u>3,918.54</u>	<u>4,325.23</u>
Less: Closing Stock		
Raw Materials and Components	2,130.12	2,282.08
Total	<u>1,788.42</u>	<u>2,043.15</u>

22. Change in Work in Progress and Finished Goods

Particulars	As at	
	31 st March 2017	31 st March 2016
Opening Stock		
Finished Goods	421.89	405.09
Work in Progress	355.58	432.74
(A)	<u>777.47</u>	<u>837.83</u>
Less: Closing Stock		
Finished Goods	331.95	421.89
Work in Progress	365.55	355.58
(B)	<u>697.50</u>	<u>777.47</u>
Total (A-B)	<u>79.97</u>	<u>60.36</u>

23. Employee Benefits Expense

Particulars	As at	
	31 st March 2017	31 st March 2016
Salaries and Wages	1,140.69	1,005.20
Contribution to Provident and ESI funds	62.31	72.77
Staff Welfare Expenses	95.83	80.00
Total	<u>1,298.83</u>	<u>1,157.97</u>

24. Finance Costs

Particulars	As at	
	31 st March 2017	31 st March 2016
Interest		
Term Loans	3,171.52	217.51
Packing Credit and Others	-	122.83
Working Capital Loans	-	2,165.50
Other borrowing costs	13.17	225.88
Total	<u>3,184.70</u>	<u>2,731.72</u>

25. Other Expenses
Rs. in Lakhs

Particulars	As at	
	31 st March 2017	31 st March 2016
Consumption of Stores and Spares	30.43	28.43
Power & Fuel	61.55	71.69
Rent	41.42	68.14
Repairs to : Buildings	2.61	2.66
: Machinery	0.43	0.58
: Others	85.75	101.77
Insurance	22.84	29.35
Rates and taxes, excluding, taxes on income	79.35	79.85
Travel and Conveyance Expenses	96.60	110.19
Postage, Telephone and Telegram	23.83	16.49
Selling Expenses	34.04	12.52
Audit Fees : Audit	3.00	3.00
: For other services	6.00	6.00
: Out of Pocket Expenses	1.38	1.61
Professional Charges	72.47	66.52
Electricity Charges	1.69	3.44
Security Charges	43.49	48.59
Advertisement Expenses	1.57	3.16
Printing & Stationery	9.44	9.91
Bank Charges	89.23	210.17
Service Charges	1.66	20.70
Foreign Exchange Loss / (Gain)	233.16	57.72
Liquidated Damages	66.66	107.69
Vehicle Hire Charges	-	15.65
Testing Charges	9.15	5.16
Trade Charges	12.82	22.15
Listing Fees	6.41	4.99
Water Charges	5.39	5.75
Recruitment Expenses	0.50	0.56
Other expenses	19.07	20.41
Total	1,061.93	1,134.85

26. Earnings Per Share

The earnings considered in ascertaining Earning per share comprise the profit after tax. The number of shares used in computing Basic Earning per share is the weighted average number of shares outstanding during the year as follows:

Particulars	2017	2016
Profit after tax	(4,859.69)	(4,487.38)
Number of Weighted average equity shares		
Basic	3,07,94,141	3,07,94,141
Effect of dilutive equity shares equivalent		
Share Warrants Outstanding	-	-
Foreign Currency Convertible Bond	-	-
	3,07,94,141	3,07,94,141
Face Value of Shares	2.00	2.00
Earnings per share before exceptional items		
Basic	(15.78)	(14.57)
Diluted	(15.78)	(14.57)
Earnings per share after exceptional items		
Basic	(15.78)	(14.57)
Diluted	(15.78)	(14.57)

27. Gratuity and Leave Encashment for AS 15 Disclosure

A Defined Benefit Plan:

(i) Gratuity (Funded)

In accordance with applicable laws, the company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering all permanent employees. The gratuity plan provides for, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the company. The company provides the gratuity benefit through annual contributions to a gratuity trust which in turn mainly contributes to Life Insurance Corporation of India (LIC) for this purpose. Under this plan the settlement obligation remains with the gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.

(ii) Leave Encashment (Unfunded)

In accordance with applicable rules, the liability for leave encashment was actuarially valued and provided in the books of accounts, covering permanent employees.

B Defined Contribution Plan (Funded)

Provident Fund

All employees are entitled to provident fund benefits. For all categories of employees the company makes contributions to Regional Provident Fund Commissioners as per law.

Defined Benefit Plans- As per Actuarial Valuations
Rs. in Lakhs

	Particulars	Leave Encashment		Gratuity	
		2016-17	2015-16	2016-17	2015-16
1	Assumptions				
	Interest rate	7.34%	7.42%	7.34%	7.82%
	Salary Escalation	6.00%	5.00%	6.00%	6.00%
2	Change in benefit obligations				
	Obligations at period beginning - Current	14.78	6.96	22.89	-
	Obligations at period beginning - Non-current	29.37	54.30	20.31	289.24
	Service Cost	4.32	3.93	19.03	15.29
	Interest on Defined benefit obligation	3.27	4.54	29.35	21.84
	Benefits settled	-	-	-	(19.85)
	Actuarial (gain)/loss	(6.55)	(25.57)	(30.96)	68.88
	Obligations at period end	45.21	44.16	60.62	375.40
	Current Liability (within 12 months)	14.79	14.79	22.89	22.89
	Non Current Liability	30.43	29.37	37.73	20.31
3	Change in plan assets				
	Plans assets at period beginning, at fair value	-	-	332.2	327.24
	Expected return on plan assets	-	-	24.38	24.81
	Actuarial gain/(loss)	-	-	-24.38	-
	Contributions	-	-	-	-
	Benefits settled	-	(18.87)	-	(19.85)
	Plans assets at period end, at fair value	-	-	332.2	332.20
	Funded Status				
	Fair value of plan assets at the end of the year	-	-	332.2	332.20
	Present value of defined benefit obligations	45.21	44.16	392.82	375.40
	Liability recognized in the balance sheet	45.21	44.16	60.62	43.20
4	Table showing fair value of plan assets				
	Fair value of plan assets at beginning of year	-	-	332.2	327.24
	Actual return on plan assets	-	-	24.38	24.81
	Contributions	-	-	-	-
	Benefits Paid	-	(18.87)	-	(19.85)
	Fair value of plan assets at the end of year	-	-	332.2	332.20
	Funded status	-	-	(6.06)	43.20
	Excess of Actual over estimated return on plan assets NIL (Actual rate of return=Estimated rate of return as ARD falls on 31st March)	-	-		

	Particulars	Leave Encashment		Gratuity	
		2016-17	2015-16	2016-17	2015-16
5	Actuarial Gain/Loss recognized				
	Actuarial (gain)/ loss on obligations	(6.55)	(25.57)	(30.96)	68.88
	Actuarial (gain)/ loss for the year - plan assets	-	-	(24.38)	Nil
	Total (gain)/ loss for the year	(6.55)	(25.57)	(6.58)	68.88
	Actuarial (gain)/ loss recognized in the year	(6.55)	(25.57)	(6.58)	68.88
6	The amounts to be recognized in the balance sheet and Statement of Profit and Loss				
	Present value of obligations as at the end of year	45.21	44.16	332.2	375.40
	Fair value of plan assets as at the end of the year	-	-	332.2	332.20
	Funded status	(45.21)	(44.16)	(6.06)	43.20
	Net asset/(liability) recognized in balance sheet	(45.21)	(44.16)	(6.06)	(43.20)
7	Expenses recognised in the Profit & Loss Account for the year ended				
	Service cost	4.32	3.93	19.03	15.29
	Interest cost	3.27	4.55	29.35	21.84
	Expected return on plan assets	-	-	(24.38)	(24.81)
	Actuarial (gain)/loss	(6.55)	(25.57)	(6.58)	68.88
	Expenses recognised in the Profit & Loss Account	1.04	(17.09)	17.42	81.20

28. Disclosure of AS 18 for the Year 2016-17

a) Details of transactions during the year 2016-17

Sl No	Particulars	Sowraj Investments	Easun Products of India P Ltd	Key Mgt Personnel	ERL International Pte Ltd	ERL Pacific (EDS)	ERLPhase Power Technologies Ltd	Switchcraft GMBH	ERL Marketing Intl. FZE	Grand Total
1	Sale of Goods <i>(previous year)</i>	-	-	-	-	-	0.49 -	- (16.85)	229.18 (298.87)	229.67 (315.72)
2	Purchase of Goods <i>(previous year)</i>	-	-	-	-	-	538.80 (481.26)	-	-	538.80 (481.26)
3	Rendering of Services Reimbursement of Expenses	-	-	-	-	-	-	-	- (16.37)	- (16.37)
	Un-Secured Loan	-	-	-	-	-	-	-	-	-
	Interest on Loan advanced	-	-	-	-	-	-	-	-	-
4	Availing of Services Reimbursement of Expenses	-	-	-	-	-	-	-	-	-
	Loan borrowed	-	-	-	-	-	-	-	-	-
	Loan repayment	-	-	-	-	-	-	-	-	-
	Interest on Loan borrowed	-	-	-	-	-	-	-	-	-
5	Advance against Purchase	-	-	-	-	-	-	-	-	-
6	Directors remuneration	-	-	48.00 (51.00)	-	-	-	-	-	48.00 (51.00)

b) Details of outstandings in respect of Related Parties

Rs. in Lakhs

S. No.	Names of Related Parties	Outstanding as on 31/03/2017	Maximum Amount due during the year 2016-17	Outstanding as on 31/03/2016	Maximum Amount due during the year 2015-16
1	Easun Products of India P Ltd	(1,321.41)	(1,321.41)	(1,321.41)	(1,321.41)
2	Sowraj Investment P Ltd	(2,849.62)	(2,849.62)	(2,849.62)	(2,849.62)
3	ERL Phase Power Technologies Ltd	(983.37)	(983.37)	405.40	(921.10)
4	ERL International Pte Ltd	2,157.25	2,157.25	2,086.44	2,086.44
5	ERL Marketing International FZE	106.55	106.55	65.09	(232.10)
6	Switchcraft Europe GmbH	(152.70)	(152.70)	(241.19)	(241.19)
7	Easun MR Tap Changers P Ltd	(2.25)	(2.25)	(2.25)	(2.25)
	Directors :				
8	Hari Eswaran	(36.99)	(36.99)	(34.36)	(34.36)
	Raj H Eswaran	(79.98)	(79.98)	(58.12)	(58.12)
	Dr W S Jones	(2.65)	(2.65)	(2.16)	(2.16)
	Rakesh Garg	(10.05)	(10.05)	(8.27)	(8.27)
	J D N Sharma	(5.95)	(5.95)	(5.95)	(5.95)
	Raman M	(0.05)	(0.05)	(0.05)	(0.05)
	Swethe Mandora Prajapathi	(0.74)	(0.74)	-	-

29. Contingent Liabilities and Commitments

Rs. in Lakhs

A.	Contingent Liabilities	As at 31 March 2017	As at 31 March 2016
1	Letters of Credit opened by Bank for purchase of raw materials and components	-	1,722.21
2	Counter Guarantee given to bankers in respect of Guarantees given by them	2886.95	5053.26
3	Bonds executed in favour of President of India for import of material at concessional rate of duty	8.95	8.95
4	Sales effected under CST - liability towards submission of C Forms	996.98	988.80
5	Disputed amounts of Income Tax		
	Assessment year		
	2003-04 - Paid	47.85	47.85
	2004-05 - Paid	26.13	26.13
	2006-07 - Paid	55.42	55.42
	2007-08 - UnPaid	59.72	-
	2008-09 - Paid	306.33	306.33
	2009-10 - UnPaid	57.59	525.00
	2010-11 - Unpaid	2,012.79	2,274.16
	2011-12- Unpaid	108.86	188.12
	2012-13- Unpaid	63.81	199.18

6	Disputed amount of Sales Tax		
	<u>Karnataka</u>		
	FY 2009-10 (Rs.3.00 Paid, Rs. 17.62 Unpaid)	20.62	20.62
	<u>Tamil Nadu (Unpaid)</u>		
	FY 2006-07 (Rs.19.21 - Paid, Rs.18.77 Unpaid)	37.98	37.98
	FY 2007-08	8.38	8.38
	FY 2008-09	29.63	29.63
	FY 2009-10	30.44	30.44
	FY 2010-11	104.94	144.43
	FY 2011-12	282.01	337.06
	<u>TN VAT - Enforcement</u>		
	FY 2010-11	-	-
	FY 2011-12	-	-
7	Disputed Customs Duty paid under protest	66.38	66.38
8	Disputed VAT Demand of West Bengal for FY 2009-10 - Unpaid	6.18	6.18
B.	Capital Commitment		
	Estimated amount of capital commitment on account of Fixed Assets		-

30. The Company has incurred expenditure aggregating to Nil. during the year (Rs.NIL) on development of products. The expenditure has been capitalised and carried in the financial statements under the head Intangible Asset Product Development as on 31st March 2017. Based on the process of establishing the technical and economic feasibility of the product, the management is confident that the products developed would be commercially viable and there is no uncertainty regarding the establishment of feasibility of the product. Management believes that the expenditure capitalized is in the nature of development costs and can be capitalized as per AS 26 “ Intangible Assets” and its carrying value is appropriate.
31. a) In respect of company’s operations which includes execution of the turnkey projects. These turnkey projects significantly involve supply of equipment dealt with by the company in the ordinary course of operations. The activities that are additionally carried out while executing the turnkey projects are in the nature of civil construction and erection services which are significantly less when compared with the overall project value. No information is furnished in terms of segment reporting in as much the project execution essentially involves supply of Transmission and Distribution equipment manufactured by the company carrying similar risks and rewards which are not different from main products.
- b) Revenue from operations includes invoicing on customers towards execution of turnkey projects. These turnkey project invoicing is predominantly milestone associated and is independent of customer acceptance of agreement, Revenue recognised in this regard with appropriate provision for anticipated procurement / cost of manufacturing components the outcome of eventual acceptability of the claims of the company is ascertained at the closure of the respective project and is accounted accordingly.

32. Personnel expenses and other expenses are net off recovery of overheads from direct and indirect overseas subsidiaries amounting to Rs. NIL (Rs.NIL) and net off product development expenses Rs.Nil (Rs.Nil).
33. Reconciliation of Excise and Service Tax Records / VAT Records with the Financial Records are under Progress. Adjustments if any which may arise are not ascertainable and would be carried out in the Books upon completion of Reconciliation.
34. Trade Receivables includes an amount of Rs.1,224.75 lacs (Rs.1,224.75 lacs) being the Liquidated Damages recovered by some customers. The Company is in the process of recovering the said amount and pending recovery, no provision is considered in the accounts towards Liquidated Damages. During this financial year Rs.Nil (Rs.0.14 Lacs) recovered from Customers against written off in earlier years has been adjusted against Liquidated Damages recoverable.
35. Trade Receivables includes an amount of Rs.1345.29 lacs (Rs.487.52 lacs) being the outstanding from Foreign Debtors for more than 180 days. Out of which Rs.Nil (Rs. Nil) received subsequently. The Company is in the process of getting necessary approval from Reserve Bank of India towards extension of time limit for collection.
36. The Company has made an investment of Rs.15,502.10 lacs in its wholly owned subsidiary at Singapore and for onward investment into its wholly owned subsidiaries. Considering the long term nature of investment and future plans of the management, no provision towards any impairment of investment is considered necessary as the management is of the opinion that this investments represents appropriate carrying value.
37. The Ministry of Corporate Affairs (MCA) vide Para 46 of AS11 has relaxed the requirement of the immediate debit / credit of Foreign exchange translation differences on long term foreign currency monetary items to the Statement of Profit & Loss till 31st March 2020. Further the MCA inserting a new para 46A in AS11 allowed Companies to defer foreign exchange translation differences on long term foreign currency monetary items for entities which had not opted for such relaxation earlier. The Company during the financial year 2012-13 has opted for the relaxation as given in Para 46A and has deferred an amount of Rs.721 lacs being the foreign exchange difference on long term external commercial borrowing from Standard Chartered Bank. The amount would be written-off over the period of 3 years, being the loan tenure. Restructuring of tenure of loan has been applied by the company During the financial year 2016-17, the Company has written off Rs.78.85 lacs towards loss on foreign exchange and reinstated the liability by Rs.368.26 lacs. Total outstanding as on 31st March 2017 amounts to Rs.341.58 lacs.

38. Operating Lease

The Company has entered into operating lease arrangements for its office facilities. These leases are for a period ranging from 1 to 5 years with an option to the Company for renewing at the end of the initial term. Rental expenses for operating leases included in the income statement for the year is Rs.41.42 Lacs (Rs.68.14 lacs).

39. Valuation of Imports of CIF Basis

Rs. in Lakhs

Particulars	2016-2017	2015-2016
Components and Spare parts including in transit	708.42	836.95

40. Expenditure in Foreign Currencies

Rs. in Lakhs

On account of	2016-2017	2015-2016
Travelling expenses and others	-	9.84

41. Earnings in Foreign Exchange on account of Export on
Rs. in Lakhs

Particulars	2016-2017	2015-2016
FOB Value Basis	413.06	526.06

42. Value of Raw Materials, Spare Parts and Components Consumed
Rs. in Lakhs

Particulars	2016-2017		2015-2016	
	Value Rs.	% to Total Consumption	Value Rs.	% to Total Consumption
Indigenous	982.96	54.96	1,450.05	71.16
Imported	805.46	45.04	587.80	28.84
Total	1,788.42	100.00	2,037.85	100.00

43. Derivative Instruments and Unhedged Foreign Currency Exposure
Unhedged Foreign Currency Exposure

Particulars	Currency	31-Mar-17	31-Mar-16
"ECB Loan (Standard Chartered Bank)"	USD	25.00	24.54
"ECB Loan (DBS Bank)"	USD	37.50	37.98

Particulars	Currency	31-Mar-17	31-Mar-16
Payable	AUD	0.36	0.43
Payable	GBP	0.10	0.10
Payable	EURO	1.16	0.00
Payable	USD	38.56	30.58
Receivable	EURO	1.18	5.60
Receivable	AUD	0.24	0.00
Receivable	GBP	0.32	0.00
Receivable	USD	10.36	8.30

44. The value of inventory pertaining to the "Metering Business" amounting to Rs.350.51 lacs (Rs.215.41 Lacs) is continued to be carried at cost despite no activity in the business for considerable period and realisable value has not been ascertained consequently the impact on the financial statements is not quantifiable.

45. In respect of certain turnkey contracts which have been terminated by the customers resulting an encashment of bank guarantees given by the company amounting to Rs.6405.34 Lacs (Rs.4603.99) has been shown recoverable from parties in respect of which negotiation with customers stated to be in progress. Pending the outcome of negotiations the no adjustment in the financial statements has been made.

46. Confirmation of balance has not been obtained from some of the supply creditors and debtors to certain parties to whom the Company has given advances.
47. The Company has applied for the extension of time limit under FEMA rules for material advances given to the associate enterprises amounting Rs.624.19 lakhs (Rs.624.19 Lacs) as on 31st March 2017.
48. Interest cost on cash credit facility held with State Bank of India as been provided in the books based on the latest available sanctioned terms and not based on the rate which was being reflected and charged in the segment of account.
49. As a matter of prudence, the Deferred Tax Assets arising predominately on account of Carry Over of Business Loss is not reconigised in the books of account in line with Accounting Standard 22 “Taxes on Income”.
50. Financial Statement have been prepared under going concerend basis as the management is confident of generating future cash flows based on the order in the pipe line and proposed restrucring of borrowing by consortium of banks bein under consideration
51. Previsous year`s figures have been re-grouped / re-classified, wherever necessary to conform to the current year`s presentation

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Financial Statements

As per our Report of even date annexed

For BRAHMAYYA & CO.
Chartered Accountants
Firm Regn No : 000511S

N Sri Krishna
Partner
Membership No: 026575

Place : Chennai
Date : 30th June, 2017

For R SUBRAMANIAN & COMPANY LLP
Chartered Accountants
Firm Regn No : 004137S/S200041

K Jayashankar
Partner
Membership No: 014156

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
DIN 00195354

A.Kamatchinathan
Chief Financial
Officer

Rakesh Garg
Director
DIN 00240379

Sudhir Anand
Head - Legal &
Company Secretary

Independent Auditor's Report on Consolidated Financial Statements

Statements To the Members of EASUN REYROLLE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of EASUN REYROLLE LIMITED (hereinafter referred to as 'the Holding Company') and its subsidiary (the Holding Company and its subsidiaries together referred to as 'the Group') which comprise of the Consolidated Balance Sheet as at 31st March 2017, Consolidated Statement of Profit & Loss and Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms with the requirement of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 there under. 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 Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's

preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements

Basis for Qualified Opinion

Attention is invited to

- a) Note No. 32 in respect of projects under Turn-key basis undertaken by the company, we have relied upon the management's estimates in respect of stage of completion, costs to completion including provisions made for supplies to be effected and installation activities and on the projection of revenues expected from projects and realisability of work in progress and project receivables, whether confirmed or otherwise owing to the technical nature of such estimates, on the basis of which profits / losses have been accounted.
- b) Note No. 38 with regard to pending outcome of restructuring proposal for extension of repayment period for Foreign Currency Borrowings, the impact arising on account of foreign exchange fluctuation is being adjusted against the proposed extension period of loan term as per para 46A of Accounting Standard 11. In the event of proposed extension for loan period not being granted, an amount of Rs.341.58 lakhs is being charged less to the Statement of Profit and Loss Account and consequently the loss will be higher to that extent.
- c) Note No. 47 with regard to balances due from and due by the company towards Long Term/ Short Term borrowings, debtors including electricity boards and creditors net off adjustments and including debit balances in creditor accounts and credit balances in debtors accounts, advances and Other Current assets in respect of which confirmations have not been received. Pending receipt of confirmation of balances and consequent adjustments on reconciliations, including differences on account of netted off of balances of certain debtors and creditors, if any and the resultant impact on the financial statements including the operating results is not ascertainable at this stage

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the Consolidated 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 the Balance Sheet, of the state of affairs of the Company as at 31 March 2017;

- b) in the case of the Statement of Profit and Loss, of the Loss 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.

Emphasis of Matter

Our opinion is not qualified in respect of following matter for which there were any material foreseeable losses

- a) Note No. 9 with regard to Unpaid Statutory dues amounting to Rs.538.88 lakhs, the consequential penalties and interest thereon are not provided for and the amount is not quantifiable.
- b) Note No. 14 with regard to Stock in Transit lying at Customs Bonded Warehouse for Rs.500.11 lakhs which is subject to confirmation from customs department. Out of the above, inventory valuing Rs.314.78 lakhs is pending clearance from Customs Warehouse for more than 3 years and in respect of which impairment if any is not ascertainable at this stage.
- c) Note No. 34 towards filing status and reconciliation of statutory returns across project sites at various states, interest / penalty for non-compliance if any is not ascertainable at this stage.
- d) Note No. 35 with regard to Liquidated Damages recovered by the customers of Turnkey projects from running bills amounting to Rs.1224.75 lakhs is pending final adjustment, as the same are under negotiation and the company is seeking waiver of the same. In the opinion of the management the levy of liquidity damages by the Turnkey customers is completely incorrect and the company envisages no obligation under liquidated damages, hence in the opinion of the company no claim shall be entertainable in as much as there are no proven damages made out by the claiming parties. Pending outcome of the ongoing negotiations pertaining to claim of Liquidated Damages so adjusted in the running bills the eventual obligation is not quantifiable at this stage and hence not provided for.
- e) Note No. 36 with regard to Pending approval of RBI towards extension of time limit as stipulated in the FEMA Regulations in respect of dues from the foreign customers amounting to Rs.1345.29 lakhs and any possible impact arising on account of this non-compliance is not provided for as the same is not quantifiable at this stage.
- f) Note No. 37 towards impairment on investments in subsidiaries including fellow subsidiaries not being provided, considering the future projections by the management and the long term strategic nature of investment.
- g) Note No. 45 with regard to the value of inventory pertaining to the 'Metering Business' amounting to Rs.350.51 lakhs is continued to be carried at cost even though there is no active business for considerable period, pending ascertainment of alternative markets for utilizing the inventories, the realizable value has not been ascertained, consequently the impact on the financial statements is not quantifiable.
- h) Note No. 46 with regard to certain turnkey projects which have been terminated by the customers resulting in encashment of bank guarantees given by the company amounting to Rs.6405.34 lakhs (net) has been shown recoverable from parties in respect of which negotiation with the customers are stated to be in progress and part of guarantees are sub-judice. Pending the outcome of legal proceedings and negotiations

with customers, the eventual impact if any on account of unilateral termination of the contract by the parties is not quantifiable till the judicial proceedings are finalized and hence not provided for.

- i) Note No. 48 with regard to appropriate consents as required under FEMA Rules in respect of extension of time limits for receipts of material advances to associate enterprises to the extent of Rs.624.19 lakhs, the company has applied seeking extension and is awaiting the consent.
- j) Note No. 49 with regard to Interest on cash Credit facility held with SBI being provided at latest available sanction rate thereby resulting in lesser interest cost to the extent of Rs.432.25 lakhs compared to the latest prevailing interest rate being levied by SBI and not accepted by the company.
- k) Note No. 51 with regard to the Financial Statement being prepared on the basis of going concern assumption. The appropriateness of assumption of going concern is dependent upon Company's ability to raise requisite finance/generate cash flows in future to meet its obligations including the increasing current liabilities compared to the current assets.

Other Matters

We did not audit the financial statement of a subsidiary ERL International Pte Limited and its fellow subsidiaries, whose financial statements reflect total assets of Rs. 19218.93 Lakhs and net assets of Rs.12805.05 Lakhs as at 31st March 2017, total revenue of Rs.6498.80 Lakhs. These financial Statements and other financial information have been prepared by the management and as informed by the management they are currently under audit and our opinion is solely based on such management accounts. We are unable to comment on the adjustment that may have been required to the consolidated financial results, had such consolidated accounts been audited. In our opinion and according to the information and explanations given to us by the Management, these financial statements are material to the Group. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is modified in respect of the above matters with respect to our reliance on the work done and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations from Holding Company, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements *excepting the statutory returns filed at project sites.*
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements *excepting the statutory returns and records to be maintained at project sites*, have been kept by the Holding Company so far as appears from our examination of those books;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 *excepting Accounting Standard 11*.
- (e) On the basis of the written representations received from the directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group companies and its associate companies are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audits and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:-
- a) The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate companies.
 - b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - c) The amounts required to be transferred to the Investor Education and Protection fund by the Company have been transferred.
 - d) These consolidated financial statements have made requisite disclosure in Note 16 as to holding as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 by the holding company and its subsidiary companies, covered under the Act. Based on the audit procedures performed and taking into consideration the information and explanations given to us and on consideration of the reports of the other auditors on separate financial statements and other financial information, in our opinion, the total receipts, total payments and total amount deposited in banks are in accordance with the books of account maintained by the respective companies.

As per our Report of even date annexed

For BRAHMAYYA & CO.
Chartered Accountants
Firm Regn No : 000511S

N Sri Krishna
Partner
Membership No: 026575

Place : Chennai
Date : 30th June, 2017

For R SUBRAMANIAN & COMPANY LLP
Chartered Accountants
Firm Regn No : 004137S/S200041

K Jayashankar
Partner
Membership No: 014156

Annexure - A to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of EASUN REYROLLE LIMITED ("the Company"). The audit of the internal financial controls over financial reporting is applicable only to the Holding Company as there are no subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those

policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

According to the information and explanations given to us and based on the reports issued on internal controls over financial reporting, certain material weakness have been identified as at 31 March 2017 concerning design and implementation of internal control components, which as represented by the management are in the process of being remediated. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects of material weakness described in the Basis for Qualified Opinion Paragraph, in all material respects, maintained adequate internal financial control over financial reporting and were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

As per our Report of even date annexed

For BRAHMAYYA & CO.
Chartered Accountants
Firm Regn No : 000511S

N Sri Krishna
Partner
Membership No: 026575

Place : Chennai
Date : 30th June, 2017

For R SUBRAMANIAN & COMPANY LLP
Chartered Accountants
Firm Regn No : 004137S/S200041

K Jayashankar
Partner
Membership No: 014156

Consolidated Balance Sheet as at 31st March, 2017

Rs. in Lakhs

Particulars	Note No.	As at 31 st March 2017	As at 31 st March 2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	615.88	615.88
(b) Reserves and surplus	3	7,184.80	11,724.75
		7,800.68	12,340.63
(2) Non-current liabilities			
(a) Long-term borrowings	4	5,697.55	3,238.29
(b) Other Long term Liabilities	5	213.81	954.67
(c) Long-term provisions	6	68.16	49.68
		5,979.52	4,242.64
(3) Current liabilities			
(a) Short-term borrowings	7	21,895.57	18,051.37
(b) Trade payables	8	7,962.42	13,193.41
(c) Other current liabilities	9	10,920.89	9,016.99
(d) Short-term provisions	10	560.25	650.72
		41,339.12	40,912.49
TOTAL		55,119.32	57,495.76
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible Assets	11	9,625.67	10,025.56
(ii) Intangible Assets		9,784.38	10,122.69
		19,410.05	20,148.24
(b) Non current investment			
(c) Long-term Loans and Advances	12	2,306.51	1,231.71
(d) Other Non Current Assets	13	500.23	181.79
		22,216.79	21,561.74
(2) Current assets			
(a) Inventories	14	6,269.45	6,343.53
(b) Trade Receivables	15	17,264.52	20,706.55
(c) Cash and Bank Balances	16	253.74	631.87
(d) Short-term Loans and Advances	17	9,082.50	8,177.07
(e) Other Current Assets	18	32.32	35.94
(f) Current Investments	19		39.06
		32,902.53	35,934.02
TOTAL		55,119.32	57,495.76

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Financial Statements

As per our Report of even date annexed

For BRAHMAYYA & CO.

Chartered Accountants

Firm Regn No : 000511S

N Sri Krishna

Partner

Membership No: 026575

For R SUBRAMANIAN & COMPANY LLP

Chartered Accountants

Firm Regn No : 004137S/S200041

K Jayashankar

Partner

Membership No: 014156

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
DIN 00195354

A.Kamatchinathan
Chief Financial
Officer

Rakesh Garg
Director
DIN 00240379

Sudhir Anand
Head - Legal &
Company Secretary

Place : Chennai

Date : 30th June, 2017

Forty Second Annual Report, 2016-17

Consolidated Statement of Profit and Loss for the year ended 31st March 2017

Rs. in Lakhs

Particulars	Note No.	Year ended 31 st March 2017	Year ended 31 st March 2016
1 Revenue from operations	20	8,505.11	9,288.38
2 Other Income	21	485.13	678.31
3 Total Revenue (1+2)		8,990.24	9,966.69
4 Expenses			
(1) Cost of Materials Consumed	22	3,136.78	2,139.86
(2) Change in Inventory	23	79.97	1,771.62
(3) Employee benefits expense	24	2,939.46	2,967.38
(4) Finance Costs	25	3,221.31	2,798.86
(5) Depreciation and amortization expense	11	1,822.00	1,942.42
(6) Other expenses	26	2,203.92	2,384.32
Total expenses		13,403.44	14,004.46
5 Profit before exceptional and extraordinary items and tax (3-4)		(4,413.20)	(4,037.77)
6 Exceptional items		78.85	801.45
7 Profit before extraordinary items and tax (5-6)		(4,492.05)	(4,839.22)
8 Extraordinary Items		-	-
9 Profit before tax (7- 8)		(4,492.05)	(4,839.22)
10 Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
11 Profit after tax for the year (9-10)		(4,492.05)	(4,839.22)
(-) Minority Interest		-	-
12 Profit/(loss) from discontinuing operations		-	-
13 Tax expense of discontinuing operations		-	-
14 Profit/(loss) from Discontinuing operations (after tax) (12-13)		-	-
15 Profit after tax for the year (11+14)		(4,492.05)	(4,839.22)
16 Earnings per equity share (in Rs)			
(1) Basic (Face Value Rs.2 each)		(14.59)	(15.71)
(2) Diluted (Face Value Rs.2 each)		(14.59)	(15.71)

Significant Accounting Policies

1

The accompanying other explanatory information are integral part of the Financial Statements

As per our Report of even date annexed

For **BRAHMAYYA & CO.**
Chartered Accountants
Firm Regn No : 000511S

For **R SUBRAMANIAN & COMPANY LLP**
Chartered Accountants
Firm Regn No : 004137S/S200041

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
DIN 00195354

Rakesh Garg
Director
DIN 00240379

N Sri Krishna
Partner
Membership No: 026575

K Jayashankar
Partner
Membership No: 014156

A.Kamatchinathan
Chief Financial
Officer

Sudhir Anand
Head - Legal &
Company Secretary

Place : Chennai
Date : 30th June, 2017

Consolidated Cash flow Statement for the year ended 31st March, 2017

Rs. in Lakhs

Particulars	Year ended 31 st March 2017	Year ended 31 st March 2016
A Cash flow from operating activities:		
Net profit before tax and extraordinary items	(4,492.05)	(4,839.22)
Adjusted for:		
Depreciation	1,822.00	1,942.42
Liquidated Damages adjusted by Customers	-	107.69
Interest Expense	3,221.31	2,798.86
Interest Income	(10.44)	(76.99)
Unrealised Forex fluctuations in Drs and Crs	(47.90)	4,604.77
Operating profit before Working Capital changes	492.92	4,537.53
Changes in Working Capital		
Trade and other receivables	3,442.03	4,175.72
Inventories	74.08	76.59
Loans and Advances	(862.75)	(2,856.45)
Trade Payables and other Current Liabilities	(3,394.13)	(7,183.02)
Cash generated from operations	(247.85)	(1,249.63)
Direct Taxes	-	(34.76)
Net cash from operating activities	(247.85)	(1,284.39)
B Cash flow from Investing activities:		
Purchase of Fixed Assets	(1,083.81)	(77.68)
Interest received	10.44	76.99
Long term Loans and Advances	(1,074.80)	(175.14)
Margin Money Accounts and Deposits	(39.31)	1,184.75
Net cash from Investing activities	(2,187.48)	1,008.92
C Cash flow from financing activities:		
Increase / (Decrease) in Term Loans	-	(1,996.05)
Increase / (Decrease) in Short term borrowings	3,844.20	4,929.79
Increase / (Decrease) in Other Long Term Liabilities	1,718.40	87.92
Interest paid	(3,221.31)	(2,798.86)
Net Cash from financing activities	2,341.29	222.80
Increase / (Decrease) in cash and cash equivalent	(94.05)	(52.67)
Cash and cash equivalent at the beginning of the year	325.49	378.16
Cash and cash equivalent at the close of the year	231.44	325.49
<u>Reconciliation of Cash and Cash Equivalents</u>		
Cash and Bank Balances as per Balance Sheet	253.74	631.87
Less: Margin Money Accounts considered as Investing Activity	-	279.13
Less: Fixed Deposits in Bank accounts considered in Investing Activity	9.92	9.92
Less: Unpaid Dividend Accounts	12.38	17.33
Cash and Cash Equivalents as per Cash Flow Statement	231.44	325.49

1. The above Cash Flow Statement has been prepared under the “Indirect method” as set out in Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2. Previous year’s figures have been regrouped/rearranged wherever necessary to conform to the current year’s presentations.

Significant Accounting Policies

1

The Notes referred to above form an integral part of the Financial Statements

As per our Report of even date annexed

For BRAHMAYYA & CO.Chartered Accountants
Firm Regn No : 000511S**N Sri Krishna**Partner
Membership No: 026575

Place : Chennai

Date : 30th June, 2017**For R SUBRAMANIAN & COMPANY LLP**Chartered Accountants
Firm Regn No : 004137S/S200041**K Jayashankar**Partner
Membership No: 014156**For and on behalf of Board of Directors****Raj H Eswaran**
Managing Director
DIN 00195354**A.Kamatchinathan**
Chief Financial
Officer**Rakesh Garg**
Director
DIN 00240379**Sudhir Anand**
Head - Legal &
Company Secretary

1 . Significant Accounting Policies:

a) Basis of Accounting

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued under the Companies (Accounting Standards) Rules 2014 and the relevant provisions of the Companies Act, 2013 as adopted consistently by the company. Revenues are recognised and expenses are accounted on their accrual, including provisions / adjustment for committed obligations and amounts determined as payable or receivable during the year.

b) Revenue recognition

Sale of goods and services is recognized on dispatch to customers or when the service has been provided. Income from turnkey projects is recognized on the Gross Billing exclusive of applicable sales/service taxes and based on work certified. Interests on deposits are recognized on time proportion basis taking into account the amount of deposit and interest. Export incentives such as DEPB benefits are recognized on exports of goods. In respect of subsidiary company, Interest income is recognized on effective interest rates.

c) Translation of Foreign Currency Statements

The Translation of foreign operations is done in accordance with Accounting Standard 11 (revised) “The Effects of Changes in Foreign Exchange Rates”. Accordingly, the financials of non-integral operations has been translated at the rates prevailing on the date of Balance Sheet. The resulting exchange difference arising on conversion are accumulated under “Foreign Currency Translation Reserve”.

d) Principles of Consolidation

(i) Consolidated Financial Statements related to Easun Reyrolle Limited, Chennai and its Subsidiary companies.

(ii) The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statements of the Company and its subsidiary (Group) have been prepared on a line by line consolidation by adding the Book value of like items of Assets, Liabilities, Income and Expenses as per respective audited financial statements of the respective companies in accordance with Accounting Standard 21 - “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.

- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company’s individual financial statement.

- Intragroup balances, intragroup transactions and resulting unrealised profits have been eliminated.

(iii) The Subsidiary Companies considered in the Consolidated Financial Statement are:

Name of the Company	Country of Incorporation	Proportion of ownership interest / voting power	Reporting date	Difference in reporting date	Remarks
1. ERL International Pte Ltd.	Singapore	100%	31-Mar-17	-	Direct subsidiary
2. ERLPhase Power Technologies Ltd	Canada	100%	31-Mar-17	-	Subsidiary of ERL International Pte. Ltd
3. ERL Marketing International FZE	Sharjah, UAE	100%	31-Mar-17	-	Subsidiary of ERL International Pte. Ltd
4. ERL Switchcraft Pte Ltd	Singapore	80%	31-Mar-17	-	Subsidiary of ERL International Pte. Ltd
5. Switchcraft Limited	Hongkong, China	100%	31-Mar-17	-	Subsidiary of ERL Switchcraft Pte. Ltd
6. Switchcraft Europe GMBH	Germany	100%	31-Mar-17	-	Subsidiary of ERL Switchcraft Pte. Ltd
7. ERL Pacific Pty Ltd	Australia	82%	31-Mar-17	-	Subsidiary of ERL International Pte. Ltd

- iv) Minority interests are that part of the net results of operations and of net assets of a subsidiary attributable to interest which are not owned directly or indirectly by the Group. It is measured at the minorities' share of the fair value of the subsidiaries identifiable assets and liabilities at the date of acquisition, except when the losses applicable to the minority interests in a subsidiary exceed the minority interests in the equity of that subsidiary. In such cases, the excess and further losses applicable to the minority interests are attributed to the equity holders of the Company, unless the minority interests have a binding obligation to, and are able to, make good the losses. When that subsidiary subsequently reports profits, the profits applicable to the minority interests are attributed to the equity holders of the Company until the minority interests' share of losses previously absorbed by the equity holders of the company have been recovered.
- v) The group applies a policy of treating transactions with minority interest as transactions with parties external to the Group. Disposals to minority interests, which result in gains and losses for the Group, are recorded in the income statement. The difference between any consideration paid to minority interests for purchases of additional equity interest in a subsidiary and the incremental share of the carrying value of the net assets of the subsidiary is recognized as goodwill.
- vi) The Financial Statements of the Subsidiaries used in the Consolidation are drawn up to the same reporting date as that of the Company i.e. 31st March.
- vii) The loss attributable to the Minority Shareholders is restricted to their Equity and the excess loss has been provided in the books of accounts.
- e) Fixed assets, Intangibles and Depreciation
- Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at date of acquisition.
 - Intangible Asset relating to Deferred Development expenditure of Subsidiary will be amortised over the estimated useful life upon completion of the individual projects.
 - Depreciation on tangible assets has been provided on the carrying value of assets under straight line method in accordance with Schedule II of the Companies Act, 2013 adopting the useful for life assets as specified there in and reckoning the residual value at 5% of the original cost of the asset.
- f) Other Significant Accounting Policies
- These are set out in the Notes to the Accounts of the Financial Statements of the Company and its Subsidiary.
- g) Inventories
- In the case of subsidiary company, Raw materials and supplies are stated at the lower of cost and replacement cost. Cost is primarily determined on First-in first-out basis. Finished goods are stated at lower of average cost and net realizable value.
- h) Taxation
- Current taxes is determined as the amount payable in respect of taxable income for the period. Deferred tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal of in one or more subsequent periods. In the case of subsidiary companies, tax liability is recognized in accordance with the applicable local laws.
- i) Provisions
- In the case of Subsidiary companies, provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of the money and the risks specific to the obligation. The increase in provision due to passage of time is recognized in the income statement as interest expense.

Notes to the Financial Statements

2. Share Capital

Rs. in Lakhs

Particulars	As at	As at
	31 st March 2017	31 st March 2016
Authorised Share Capital:		
7,50,00,000 (PY : 7,50,00,000)		
Equity Shares of Rs.2 each	1,500.00	1,500.00
50,00,000 (PY : 50,00,000)		
Preference Shares of Rs.10 each	500.00	500.00
Issued Share Capital:		
3,07,94,991 (PY : 3,07,94,991)		
Equity Shares of Rs.2 each	615.90	615.90
Subscribed and Paid up Capital:		
3,07,94,141 (PY : 3,07,94,141)		
Equity Shares of Rs.2 each fully paid up	615.88	615.88
Total	615.88	615.88

2.1 Reconciliation of number of shares

Particulars	As at 31 March 2017		As at 31 March 2016	
	No. of Shares held	Amount	No. of Shares held	Amount
Balance at the beginning of the year	3,07,94,141	615.88	3,07,94,141	615.88
Add: shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the year	3,07,94,141	615.88	3,07,94,141	615.88

3. Reserves and Surplus

Rs. in Lakhs

Particulars	As at	As at
	31 st March 2017	31 st March 2016
Capital Reserve		
Opening Balance	1,375.22	(505.98)
Add: Amount transferred on forfeiture of Share warrant	-	-
Less: Deductions	-	1,881.20
Closing Balance	1,375.22	1,375.22
Government Subsidy	40.42	40.42
Securities Premium Account		
Opening Balance	15,505.77	15,505.77
Add: Amount transferred on allotment of ESOPs	-	-
Add: Premium on Rights Issue	-	-
Less: Expenses for Rights Issue	-	-
Closing Balance	15,505.77	15,505.77

Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	(630.99)	(1,110.07)
Add: Exchange Loss capitalised during the year	368.26	322.37
Less: Amortisation during the year	78.85	801.45
Closing Balance	<u>(920.41)</u>	<u>(630.99)</u>
General Reserve		
Opening Balance	9,546.39	9,546.39
Add: Transfer From Statement of Profit and Loss	-	-
Less: Deductions	-	-
Closing Balance	<u>9,546.39</u>	<u>9,546.39</u>
Foreign Currency Translation Reserve:		
Opening Balance	1,607.81	2,710.97
Add: Reserves for the year	1,863.11	(1,103.16)
Closing Balance	<u>3,470.92</u>	<u>1,607.81</u>
Surplus in Statement of Profit and Loss		
Opening Balance	(15,719.87)	(10,880.65)
Add: Retained Earnings-Depreciation	-	-
Add: Profit for the year	(4,492.05)	(4,839.22)
Less: Proposed dividend	-	-
Less: Minority Interest	1,621.60	-
	<u>(21,833.52)</u>	<u>(15,719.87)</u>
Total	<u>7,184.80</u>	<u>11,724.75</u>

4. Long Term Borrowings

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured Loans		
Foreign Currency Term loans From Banks		
Standard Chartered - ECB	-	-
DBS Bank - ECB	-	-
Total (A)	-	-
Unsecured Loans		
Inter Corporate Deposits	5,697.55	3,238.29
Total (B)	<u>5,697.55</u>	<u>3,238.29</u>
Total (A+B)	<u>5,697.55</u>	<u>3,238.29</u>

Notes

4.1 Security Clause

Term Loans

Bank	Properties at	
	Hosur Factory: Land, Building and Plant & Machinery	Industrial Land, and building at Harohalli, Kanakapura Taluk, Ram nagaram District
Axis Bank	Second Charge	First Charge
DBS Bank	Second Charge	First Charge
Standard Chartered Bank	Second Charge	First Charge

4.2 The details of Long Term Borrowings are as follows

Rs. in Lakhs

Particulars	Repayment Start Date	O/s Amt as on 31st March 2017	Current Maturities	Interest Rate	Instalment Amount
<i>External Commercial Borrowings (Fully Un-Hedged)</i>					
Standard Chartered Bank Ltd (Repayable in 3 Half yearly Instalments) * (USD - 6.25 million) # @	Aug-12	1,643.25	1,643.25	4.35%	821.63
DBS Bank Ltd (Repayable in 5 Half yearly Instalments) (USD - 5.25 million) # @	Aug-12	2,464.88	2,464.88	4.35%	492.98
Total		4,108.13	4,108.13		1,334.60

* Amount varies as per the exchange rate on the date of repayment

Outstanding as on 31 March 2016

@ Delay in repayment of instalment which has been paid after 31st March 2017.

5 Other Long Term Liabilities

Rs. in Lakhs

Particulars	As at 31st March 2017	As at 31st March 2016
Long Term Loans and Advances		
- Loans to Others	213.81	954.67
- Loans to Subsidiary		-
Total	213.81	954.67

6 Long-term provisions

Rs. in Lakhs

Particulars	As at 31st March 2017	As at 31st March 2016
Provision for employee benefits		
- Leave Encashment	30.42	29.38
- Gratuity	37.73	20.31
Total	68.16	49.68

7. Short-term borrowings

Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured from Banks		
- Cash Credits facilities availed	21,895.57	18,051.37
Total	21,895.57	18,051.37

7.1 Working Capital

a. Primary Security

Hypothecation of entire current assets including stocks, receivables and other current assets of the Company on pari passu basis favouring Axis Bank, DBS Bank, Standard Chartered Bank, Canara Bank and State Bank of India.

b. Collateral Security

Bank	Properties	
	Hosur Factory: Land, Building and Plant & Machinery	Industrial Land and building at Harohalli, Kanakapura Taluk, Ramanagaram District
Axis Bank	Second Charge@	First Charge#
DBS Bank	Second Charge@	First Charge#
Standard Chartered Bank	Second Charge@	First Charge#
Canara Bank	Second Charge@	Second Charge@
State Bank of India	First Charge#	Second Charge@

@ on pari passu basis among Axis Bank, DBS Bank and Standard Chartered Bank

by way of primary security

8. Trade Payables

Particulars	As at 31 st March 2017	As at 31 st March 2016
Micro, Small and Medium Enterprises (Refer Note 8.1)	238.00	152.29
Other Enterprises	7,957.91	12,035.75
Related Parties	(233.49)	1,005.37
Total	7,962.42	13,193.41

8.1 Based on, and to the extent of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), and relied upon by the auditors, the relevant particulars as at 31st March 2017 are furnished below:

Particulars	As at 31 st March 2017	As at 31 st March 2016
Principal Amount Due to Suppliers	238.00	152.29
Interest Accrued and due to the suppliers under MSMED Act, on the above amount	157.92	38.50
Payment made to suppliers (other than interest) beyond the appointed date	176.84	22.14
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	13.24	1.45
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	171.17	39.95

9 Other Current Liabilities

Particulars	As at 31 st March 2017	As at 31 st March 2016
Current Maturities of Long Term Borrowings		
A. Secured		
Current Maturities of Long Term Debt:		
(a) Foreign Currency Term loans from Banks		
Standard Chartered - ECB (Refer 4.1)	1,643.25	1,628.00
DBS Bank - ECB (Refer 4.1)	2,464.88	2,519.25
Total	4,108.13	4,147.25
B. Unsecured		
Interest Accrued and not due on borrowings	-	-
Interest Accrued and due on borrowings	2,995.19	1,014.31
Other Payables		
Employee Related	608.00	525.85
Expenses, Service & Contract Payables	192.80	193.34
Advances from Customers	1,974.90	2,083.64
Unpaid Dividend Payable	12.38	17.33
Statutory Dues Payables	1,029.49	1,035.27
Total (B)	6,812.76	4,869.74
Total (A+B)	10,920.89	9,016.99

10 Short-term provisions

Particulars	<i>Rs. in Lakhs</i>	
	As at 31 st March 2017	As at 31 st March 2016
Provision for Employee Benefits		
Leave Encashment	14.79	14.79
Gratuity	22.89	22.89
Other Provisions		
Warranty Claim Reserve (refer 10.1)	125.41	125.41
Other Provisions	397.16	487.63
Total	560.25	650.72

10.1 Warranty Claim Reserve

Particulars	As at	
	31 st March 2017	31 st March 2016
At the beginning of the year	125.41	130.36
Created during the year	-	-
Utilised during the year	4.95	18.38
At the end of the year	125.41	125.41

Provision for warranties is estimated on past experience and technical estimates

11. Fixed Assets

31st March 2017

Rs. in Lakhs

Particulars	Gross Block			Depreciation			Net Block		
	As at 1-Apr-16	Additions	Deductions	As at 31-Mar-17	For the year	Retained Earnings	Deletion	As at 31-Mar-17	As at 31-Mar-16
(a) Tangible Assets									
Land	2.31	-	-	2.31	-	-	-	2.31	2.31
Land - Leasehold	998.98	-	-	998.98	-	-	-	998.98	998.98
Land - Hosur Residential Plots	4.29	-	-	4.29	-	-	-	4.29	4.29
Buildings	4,209.77	6.79	-	4,216.56	116.48	-	-	3,357.16	3,466.85
Buildings - Leasehold	5.26	-	-	5.26	0.68	-	-	2.07	2.75
Plant and Machinery	4,988.99	13.62	-	5,002.61	155.29	-	-	2,599.90	2,402.71
Office equipments	412.01	-	-	412.01	24.05	-	-	401.85	34.21
Furniture	590.03	0.23	-	590.26	135.34	-	-	469.32	256.05
Research And Development	722.01	-	-	722.01	63.06	-	-	448.82	273.19
Total	11,933.64	20.64	-	11,954.28	494.90	-	-	4,782.48	7,646.06
Subsidiary Assets									
Equipments	3,251.39	146.60	-	3,397.99	71.03	-	-	1,100.97	2,297.02
Furniture & Fixtures	75.59	-	-	75.59	34.77	-	-	34.77	40.82
Office Equipments	172.92	-	19.78	153.14	0.30	-	19.78	37.12	116.02
Vehicles	56.68	2.21	13.28	45.61	3.11	-	13.28	45.62	0.90
Total (B)	3,556.58	148.81	33.06	3,672.33	74.44	-	33.06	1,218.47	2,453.86
Total (A+B)	15,490.22	169.45	33.06	15,626.61	569.34	-	33.06	6,000.95	10,025.56
(b) Intangible									
Technology Know-how	550.44	-	-	550.44	-	-	-	550.44	-
Intangible Asset - Product devel	11.69	-	-	11.69	-	-	-	11.69	0.01
Computer Software	1,265.59	-	-	1,265.59	131.99	-	-	1,117.04	280.54
Total(A)	1,827.72	-	-	1,827.72	131.99	-	-	1,679.17	280.55
Subsidiary Assets									
Goodwill	2,308.92	-	-	2,308.92	1,114.81	-	-	1,114.81	2,308.92
Computer Software	255.75	19.71	-	275.46	5.87	-	-	258.43	3.19
Intellectual Property rights	6,013.39	-	-	6,013.39	-	-	-	6,013.39	6,013.39
Intangible Development Costs	8,040.18	894.65	-	8,934.83	6,523.53	-	-	6,523.53	1,516.65
Total(B)	16,618.24	914.36	-	17,532.60	1,120.68	-	-	7,896.77	9,842.15
Total (A+B)	18,445.96	914.36	-	19,360.32	1,252.67	-	-	9,575.94	10,122.69
Grand Total	33,936.18	1,083.81	33.06	34,986.93	1,822.00	-	33.06	15,576.89	20,148.25

12. Long-term loans and advances
Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Unsecured, Considered Good unless otherwise stated		
Capital Advances	-	200.72
Security Deposits and Earnest Money Deposits	213.96	197.78
Loans and advances to related parties	1,367.29	93.01
Prepaid Expenses	35.84	54.60
Testing Charges to be amortised	-	-
Income Tax Refund Receivable (Net)	689.42	685.60
Total	2,306.51	1,231.71

13. Other non-current Assets

Particulars	As at 31 st March 2017	As at 31 st March 2016
Deposits with Bank		
Term Deposits maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current	500.23	181.79
Total	500.23	181.79

14. Inventory

Particulars	As at 31 st March 2017	As at 31 st March 2016
(Lower of Cost and estimated Net Realisable Value)		
Raw Materials and Components	2,892.32	2,282.08
Work In Progress	1,980.56	355.58
Finished Goods	885.06	421.89
Packing Materials	5.65	8.06
Stock in Transit - Raw Materials & Components	500.11	3,270.91
Stores and Spares	5.75	5.01
Total	6,269.45	6,343.53

15. Trade Receivables

Particulars	As at 31 st March 2017	As at 31 st March 2016
Unsecured, Considered Good unless otherwise stated		
Outstanding for a period exceeding six months	14,614.33	17,367.07
Other Receivables	1,391.12	2,019.01
Related Parties		
Outstanding for a period exceeding six months	812.40	866.40
Other Receivables	446.67	454.07
Total	17,264.52	20,706.55

16. Cash and Bank Balances
Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Cash and cash equivalents		
Cash on Hand	202.29	301.51
Balances with banks in Current Accounts	29.15	23.98
Balances in Earmarked Accounts		
Unpaid Dividend Accounts	12.38	17.33
Bank Deposits		
Bank Deposits with maturity less than 3 months	-	-
Bank Deposits with maturity more than 3 months but less than 12 months	9.92	9.92
Margin Money Deposits		
Margin Money Deposits maturing after 12 months	500.23	181.79
Margin Money Deposits maturing within 12 months	-	279.13
Less: Term Deposits maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current	500.23	181.79
Total	253.74	631.87

Disclosing reporting requirement as per Notification GSR 308(E) dated 30th March 2016 issued by MCA

	SBN	Other Bank Notes	Total
Closing Cash Balance as on 8th November 2016	0.34	1.86	2.20
(+) Permitted Receipts	-	3.06	3.06
(-) Permitted Receipts	-	3.57	3.57
(-) Amount Deposited in Banks	0.34	-	0.34
Closing Cash Balance as on 30th December 2016	-	1.35	1.35

17. Short-term loans and advances

Particulars	As at 31 st March 2017	As at 31 st March 2016
Advance to suppliers	602.23	608.18
Advance to suppliers - Related Parties	624.19	624.19
Advance to Employees	102.16	13.98
Rental Advance	13.88	16.31
Prepaid Expenses	4.34	9.16
Other Receivables	7,010.91	6,111.00
Statutory Receivables (Input Credits)	724.79	794.25
Total	9,082.50	8,177.07

18. Other current assets

Particulars	As at 31 st March 2017	As at 31 st March 2016
(a) Interest Accrued on Short term deposit	0.09	0.09
(b) Interest Accrued on Bank Guarantee Margin	32.23	35.85
Total	32.32	35.94

19. Current Investments
Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Non Traded - UnQuoted (At Cost)	-	-
Other Investments	-	39.06
Total	-	39.06

20. Revenue from Operations

Particulars	As at 31 st March 2017	As at 31 st March 2016
Sale of products	8611.93	9241.09
Sale of services	62.33	179.34
Other operating revenues	5.60	9.69
	8,679.86	9,430.12
Less: Excise duty	174.75	141.74
Total	8,505.11	9,288.38

21. Other Income

Particulars	As at 31 st March 2017	As at 31 st March 2016
Interest Income	10.44	76.99
Realisation of Debts written off in earlier years	0.01	0.14
Foreign Exchange Gains	-	80.34
Trade Incentives	-	4.40
Miscellaneous Income	474.68	516.44
Total	485.13	678.31

22. Cost of Material Consumed

Particulars	As at 31 st March 2017	As at 31 st March 2016
Opening Stock		
Raw Materials and Components	2,282.08	3,296.55
Add: Purchases	2,984.82	1,125.39
	5,266.90	4,421.94
Less: Closing Stock		
Raw Materials and Components	2,130.12	2,282.08
Total	3,136.78	2,139.86

23. Change in Work in Progress and Finished Goods

Particulars	As at 31 st March 2017	As at 31 st March 2016
Opening Stock		
Finished Goods	421.89	557.93
Work in Progress	355.58	1,991.16
(A)	777.47	2,549.09
Less: Closing Stock		
Finished Goods	331.95	421.89
Work in Progress	365.55	355.58
(B)	697.50	777.47
Total (A-B)	79.97	1,771.62

24. Employee Benefits Expense
Rs. in Lakhs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Salaries and Wages	2,781.32	2,814.61
Contribution to provident and ESI funds	62.31	72.77
Staff Welfare Expenses	95.83	80.00
Total	2,939.46	2,967.38

25. Finance Costs

Particulars	As at 31 st March 2017	As at 31 st March 2016
Interest		
Term Loans	3,171.52	217.50
Packing Credit and Others	-	122.83
Working Capital Loans	-	2,165.50
Other borrowing costs	49.79	293.03
Total	3,221.31	2,798.86

26. Other Expenses

Particulars	As at 31 st March 2017	As at 31 st March 2016
Consumption of Stores and Spares	30.43	28.43
Power & Fuel	61.55	71.69
Rent	124.66	68.14
Repairs to : Buildings	2.61	2.66
: Machinery	40.14	0.58
: Others	158.14	101.77
Insurance	60.05	29.35
Rates and taxes, excluding, taxes on income	79.55	79.85
Travel and Conveyance Expenses	269.48	110.19
Postage, Telephone and Telegram	29.53	16.49
Selling Expenses	226.06	12.52
Audit Fees : Audit	3.00	3.00
: For other services	6.00	6.00
: Out of Pocket Expenses	1.38	1.61
Professional Charges	143.44	66.52
Electricity Charges	1.69	3.44
Security Charges	43.49	48.59
Advertisement Expenses	7.63	3.16
Printing & Stationery	56.65	9.91
Bank Charges	89.23	210.17
Tools Written off	-	-
Service Charges	1.66	20.70
Foreign Exchange Loss / (Gain)	251.07	57.72
Liquidated Damages	66.66	107.69
Vehicle Hire Charges	5.59	15.65
Testing Charges	9.15	5.16
Trade Charges	12.82	22.15
Listing Fees	6.41	4.99
Water Charges	29.90	5.75
Recruitment Expenses	0.50	0.56
Other expenses	385.45	1,269.88
Total	2,203.92	2,384.32

27 Earnings Per Share

The earnings considered in ascertaining Earning per share comprise the profit after tax. The number of shares used in computing Basic Earning per share is the weighted average number of shares outstanding during the year as follows:

Rs. in Lakhs

Particulars	2017	2016
Profit after tax	(4,492.05)	(4,839.22)
Number of Weighted average equity shares		
Basic	3,07,94,141	3,07,94,141
Effect of dilutive equity shares equivalent		
Share Warrants Outstanding	-	-
Foreign Currency Convertible Bond	-	-
	3,07,94,141	3,07,94,141
Face Value of Shares	2.00	2.00
Earnings per share before exceptional items		
Basic	(14.59)	(15.71)
Diluted	(14.59)	(15.71)
Earnings per share after exceptional items		
Basic	(14.59)	(15.71)
Diluted	(14.59)	(15.71)

28 Gratuity and Leave Encashment for AS 15 Disclosure

A Defined Benefit Plan:

(i) Gratuity (Funded)

In accordance with applicable laws, the company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering all permanent employees. The gratuity plan provides for, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the company. The company provides the gratuity benefit through annual contributions to a gratuity trust which in turn mainly contributes to Life Insurance Corporation of India (LIC) for this purpose. Under this plan the settlement obligation remains with the gratuity trust. Life Insurance Corporation of India administers the plan and determines the contribution premium required to be paid by the trust.

(ii) Leave Encashment (Unfunded)

In accordance with applicable rules, the liability for leave encashment was actuarially valued and provided in the books of accounts, covering permanent employees.

B Defined Contribution Plan (Funded)

Provident Fund

All employees are entitled to provident fund benefits. For all categories of employees the company makes contributions to Regional Provident Fund commissioners as per law.

Defined Benefit Plans - As per Actuarial Valuations
Rs. in Lakhs

Sl. no	Particulars	Leave Encashment		Gratuity	
		2016-17	2015-16	2016-17	2015-16
1	Assumptions				
	Interest rate	7.34%	7.42%	7.34%	7.82%
	Salary Escalation	6.00%	5.00%	6.00%	6.00%
2	Change in benefit obligations				
	Obligations at period beginning - Current	14.78	6.96	29.57	-
	Obligations at period beginning - Non-current	29.37	54.30	363.25	289.24
	Service Cost	4.32	3.93	19.03	15.29
	Interest on Defined benefit obligation	3.27	4.54	29.35	21.84
	Benefits settled	-	-	-	(19.85)
	Actuarial (gain)/loss	(6.55)	(25.57)	(30.96)	68.88
	Obligations at period end	45.21	44.16	392.82	375.40
	Current Liability (within 12 months)	8.70	14.79	58.33	22.89
	Non Current Liability	36.51	29.37	334.49	20.31
3	Change in plan assets				
	Plans assets at period beginning, at fair value	-	-	332.2	327.24
	Expected return on plan assets	-	-	24.38	24.81
	Actuarial gain/(loss)	-	-	(24.38)	-
	Contributions	-	-	-	-
	Benefits settled	-	(18.87)	-	(19.85)
	Plans assets at period end, at fair value	-	-	332.2	332.20
	Funded Status				
	Fair value of plan assets at the end of the year	-	-	332.2	332.20
	Present value of defined benefit obligations	45.21	44.16	392.82	375.40
	Liability recognized in the balance sheet	45.21	44.16	-	(43.20)
4	Table showing fair value of plan assets				
	Fair value of plan assets at beginning of year	-	-	332.2	327.24
	Actual return on plan assets	-	-	24.38	24.81

Sl. no	Particulars	Leave Encashment		Gratuity	
		2016-17	2015-16	2016-17	2015-16
	Contributions	-	-	-	-
	Benefits Paid	-	(18.87)	-	(19.85)
	Fair value of plan assets at the end of year	-	-	332.2	332.20
	Funded status	-	-	(6.06)	43.20
	Excess of Actual over estimated return on plan assets NIL (Actual rate of return=Estimated rate of return as ARD falls on 31st March)				
5	Actuarial Gain/Loss recognized				
	Actuarial (gain)/ loss on obligations	(6.55)	(25.57)	(30.96)	68.88
	Actuarial (gain)/ loss for the year - plan assets	-	-	(24.38)	-
	Total (gain)/ loss for the year	(6.55)	(25.57)	(6.58)	68.88
	Actuarial (gain)/ loss recognized in the year	(6.55)	(25.57)	(6.58)	68.88
6	The amounts to be recognized in the balance sheet and Statement of Profit and Loss				
	Present value of obligations as at the end of year	45.21	44.16	332.2	375.40
	Fair value of plan assets as at the end of the year	-	-	332.2	332.20
	Funded status	(45.21)	(44.16)	(6.06)	43.20
	Net asset/(liability) recognized in balance sheet	(45.21)	(44.16)	(6.06)	(43.20)
7	Expenses recognised in the Profit & Loss Account for the year ended				
	Service cost	4.32	3.93	19.03	15.29
	Interest cost	3.27	4.55	29.35	21.84
	Expected return on plan assets	-	-	(24.38)	(24.81)
	Actuarial (gain)/loss	(6.55)	(25.57)	(6.58)	68.88
	Expenses recognised in the Profit & Loss Account	1.04	(17.09)	17.42	81.20

29 Disclosure of AS 18 for the Year 2016-17

a) Details of transactions during the year 2016-17

Rs. in Lakhs

Sl No	Particulars	Eswaran & Sons Engineers Ltd	Sowraj Investments	Easun Products of India P Ltd	Key Mgt Personnel	Grand Total
1	Sale of Goods	-	-	-	-	-
2	Purchase of Goods	-	-	-	-	-
3	Rendering of Services	-	-	-	-	-
	Reimbursement of Expenses	-	-	-	-	-
	Un-Secured Loan	-	-	-	-	-
	Interest on Loan advanced	-	-	-	-	-
4	Availing of Services	-	-	-	-	-
	Reimbursement of Expenses	-	-	-	-	-
	Loan borrowed	-	-	-	-	-
	Loan repayment	-	-	-	-	-
	Interest on Loan borrowed	-	-	-	-	-
5	Directors remuneration				48.00 (51.00)	48.00 (51.00)

b) Details of outstandings in respect of Related Parties (in Rupees)

Rs. in Lakhs

Sl. No	Names of Related Parties	Outstanding as on 31/03/2017	Maximum Amount due during the year	Outstanding as on 31/03/2016	Maximum Amount due during the year
1	Eswaran & Sons Engineers Pvt. Ltd.	NIL	NIL	NIL	NIL
2	Easun MR Tap Changers Pvt Ltd	2.25	2.25	2.25	2.25
3	Easun Products of India Pvt Ltd	(1,321.41)	(1,321.41)	(1,321.41)	(1,321.41)
4	Sowraj Investment Pvt Ltd	(2,849.62)	(2,849.62)	(2,849.62)	(2,849.62)
5	Directors :				
	Hari Eswaran	(36.99)	(36.99)	(34.36)	(34.36)
	Raj H Eswaran	(79.98)	(79.98)	(58.12)	(58.12)
	Dr W S Jones	(2.65)	(2.65)	(2.16)	(2.16)
	Rakesh Garg	(10.05)	(10.05)	(8.27)	(8.27)
	J D N Sharma	(5.95)	(5.95)	(5.95)	(5.95)
	Raman M	(0.05)	(0.05)	(0.05)	(0.05)
	Swetha Mandora Prajapathi	(0.74)	(0.74)	-	-

30. Contingent Liabilities and Commitments

Rs. in Lakhs

A.	Contingent Liabilities	As at 31 March 2017	As at 31 March 2016
1	Letters of Credit opened by Bank for purchase of raw materials and components	-	1,722.21
2	Counter Guarantee given to bankers in respect of Guarantees given by them	2,886.95	5,053.26
3	Bonds executed in favour of President of India for import of material at concessional rate of duty	8.95	8.95
4	Sales effected under CST - liability towards submission of C Forms	996.98	988.80
5	Disputed amounts of Income Tax		
	Assessment year		
	2003-04 - Paid	47.85	47.85
	2004-05 - Paid	26.13	26.13
	2006-07 - Paid	55.42	55.42
	2008-09 - Unpaid	59.72	-
	2008-09 - Paid	306.33	306.33
	2009-10 - UnPaid	57.59	525.00
	2010-11 - Unpaid	2,012.79	2,274.16
	2011-12- Unpaid	108.86	188.12
	2012-13- Unpaid	63.81	199.18
6	Disputed amount of Sales Tax		
	<u>Karnataka</u>		
	FY 2009-10 (Rs.3.00 lacs Paid, Rs. 17.62 lacs Unpaid)	20.62	20.62
	<u>Tamil Nadu (Unpaid)</u>		
	FY 2006-07 (Rs.19.21 lacs - Paid, Rs.18.77 lacs Unpaid)	37.98	37.98
	FY 2007-08	8.38	8.38
	FY 2008-09	29.63	29.63
	FY 2009-10	30.44	30.44
	FY 2010-11	104.94	144.43
	FY 2011-12	282.01	337.06
	<u>TN VAT - Enforcement</u>		
	FY 2010-11	-	-
	FY 2011-12	-	-
7	Disputed Customs Duty paid under protest	66.38	66.38
8	Disputed VAT Demand of West Bengal for FY 2009-10 - Unpaid	6.18	6.18
B.	Capital Commitment		
	Estimated amount of capital commitment on account of Fixed Assets	-	-

- 31 The Company has incurred expenditure aggregating to Nil. during the year (Rs.NIL) on development of products. The expenditure has been capitalised and carried in the financial statements under the head Intangible Asset Product Development as on 31st March 2017. Based on the process of establishing the technical and economic feasibility of the product, the management is confident that the products developed would be commercially viable and there is no uncertainty regarding the establishment of feasibility of the product. Management believes that the expenditure capitalized is in the nature of development costs and can be capitalized as per AS 26 “ Intangible Assets” and its carrying value is appropriate.
- 32 a) In respect of company’s operations which includes execution of the turnkey projects. These turnkey projects significantly involve supply of equipment dealt with by the company in the ordinary course of operations. The activities that are additionally carried out while executing the turnkey projects are in the nature of civil construction and erection services which are significantly less when compared with the overall project value. No information is furnished in terms of segment reporting in as much the project execution essentially involves supply of Transmission and Distribution equipment manufactured by the company carrying similar risks and rewards which are not different from main products.
- b) Revenue from operations includes invoicing on customers towards execution of turnkey projects. These turnkey project invoicing is predominantly milestone associated and is independent of customer acceptance of agreement, Revenue recognised in this regard with appropriate provision for anticipated procurement / cost of manufacturing components the outcome of eventual acceptability of the claims of the company is ascertained at the closure of the respective project and is accounted accordingly.
- 33 Personnel expenses and other expenses are net off recovery of overheads from direct and indirect overseas subsidiaries amounting to Rs. NIL (Rs.NIL) and net off product development expenses Rs.Nil (Rs.Nil).
- 34 Reconciliation of Excise and Service Tax Records / VAT Records with the Financial Records are under Progress. Adjustments if any which may arise are not ascertainable and would be carried out in the Books upon completion of Reconciliation.
- 35 Trade Receivables includes an amount of Rs.1,224.75 lacs (Rs.1,224.75 lacs) being the Liquidated Damages recovered by some customers. The Company is in the process of recovering the said amount and pending recovery, no provision is considered in the accounts towards Liquidated Damages. During this financial year Rs.Nil (Rs.0.14 Lacs) recovered from Customers against written off in earlier years has been adjusted against Liquidated Damages recoverable.
- 36 Trade Receivables includes an amount of Rs.1,345.29 lacs (Rs.487.52 lacs) being the outstanding from Foreign Debtors for more than 180 days. The Company is in the process of getting necessary approval from Reserve Bank of India towards extension of time limit for collection. Out of which Rs.Nil (Rs. Nil) received subsequently.
- 37 The Company has made an investment of Rs.15,502.10 lacs in its wholly owned subsidiary at Singapore and for onward investment into its wholly owned subsidiaries. Considering the long term nature of investment and future plans of the management, no provision towards any impairment of investment is considered necessary as the management is of the opinion that this investments represents appropriate carrying value.

38 The Ministry of Corporate Affairs (MCA) vide Para 46 of AS11 has relaxed the requirement of the immediate debit / credit of Foreign exchange translation differences on long term foreign currency monetary items to the Statement of Profit & Loss till 31st March 2020. Further the MCA inserting a new para 46A in AS11 allowed Companies to defer foreign exchange translation differences on long term foreign currency monetary items for entities which had not opted for such relaxation earlier. The Company during the financial year 2012-13 has opted for the relaxation as given in Para 46A and has deferred an amount of Rs.721 lacs being the foreign exchange difference on long term external commercial borrowing from Standard Chartered Bank. The amount would be written-off over the period of 3 years, being the loan tenure. During the financial year 2016-17, the Company has written off Rs.78.85 lacs towards loss on foreign exchange and reinstated the liability by Rs.368.26 lacs. Total outstanding as on 31st March 2017 amounts to Rs.341.58 lacs.

39 Operating Lease

The Company has entered into operating lease arrangements for its office facilities. These leases are for a period ranging from 1 to 5 years with an option to the Company for renewing at the end of the initial term. Rental expenses for operating leases included in the income statement for the year is Rs.41.42 Lacs (Rs.68.14 lacs).

40. Valuation of Imports of CIF Basis

Rs. in Lakhs

Particulars	As at 31 March 2017	As at 31 March 2016
Components and Spare parts	708.42	589.96

41. Expenditure in Foreign Currencies

Rs. in Lakhs

On account of:	As at 31 March 2017	As at 31 March 2016
Travelling expenses and others	-	9.84

42. Earnings in Foreign Exchange on account of Export on

Rs. in Lakhs

Particulars	As at 31 March 2017	As at 31 March 2016
FOB Value Basis	413.06	526.06

43. Value of Raw Materials, Spare Parts and Components Consumed

Rs. in Lakhs

Particulars	2017		2016	
	Value Rs.	% to Total Consumption	Value Rs.	% to Total Consumption
Indigenous	2,331.32	74.32	1,552.06	49.48
Imported	805.46	25.68	587.80	18.74
Total	3,136.78	100.00	2,139.86	100.00

44. Derivative Instruments and Unhedged Foreign Currency Exposure

Unhedged Foreign Currency Exposure

Rs. in Lakhs

Particulars	Currency	31-Mar-17	31-Mar-16
"ECB Loan (Stan Chart Bank)"	USD	25.00	24.54
"ECB Loan (DBS Bank)"	USD	37.50	37.98

Particulars	Currency	31-Mar-17	31-Mar-16
Payable	AUD	0.36	0.43
Payable	GBP	0.10	0.10
Payable	EURO	1.16	0.00
Payable	USD	38.56	30.58
Receivable	EURO	1.18	5.60
Receivable	AUD	0.24	0.00
Receivable	GBP	0.32	0.00
Receivable	USD	10.36	8.30

- 45 The value of inventory pertaining to the "Metering Business" amounting to Rs.350.51 lacs (Rs.215.41 Lacs) is continued to be carried at cost despite no activity in the business for considerable period and realisable value has not been ascertained consequently the impact on the financial statements is not quantifiable.
- 46 In respect of certain turnkey contracts which have been terminated by the customers resulting an encashment of bank guarantees given by the company amounting to Rs.6,405.34 Lacs (Rs.4,603.99) has been shown recoverable from parties in respect of which negotiation with customers stated to be in progress. Pending the outcome of negotiations the no adjustment in the financial statements has been made.
- 47 Confirmation of balance has not been obtained from some of the supply creditors and debtors to certain parties to whom the Company has given advances.
- 48 The Company has applied for the extension of time limit under FEMA rules for material advances given to the associate enterprises amounting Rs.624.19 lakhs (Rs.624.19 Lacs) as on 31st March 2017.
- 49 Interest Cost on Cash Credit Facility held with State Bank of India has been provided in the books based on the latest available sanctioned terms and not based on the rate which was being reflected and charged in the Statement of Account.
- 50 As a matter of prudence, the Deferred Tax Assets arising predominately on account of Carry Over of Business Loss is not recognised in the books of account in line with Accounting Standard 22 "Taxes on Income".
- 51 Financial Statements have been prepared under going concern basis as the management is confident of generating future cashflows based on the orders in the pipeline and proposed restructuring of borrowings by consortium of banks being under consideration.
- 52 Previous year's figures have been re-grouped / re-classified, wherever necessary to conform to the current year's presentation

As per our Report of even date annexed

For BRAHMAYYA & CO.
Chartered Accountants
Firm Regn No : 0005115

N Sri Krishna
Partner
Membership No: 026575

Place : Chennai
Date : 30th June, 2017

For R SUBRAMANIAN & COMPANY LLP
Chartered Accountants
Firm Regn No : 004137S/S200041

K Jayashankar
Partner
Membership No: 014156

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
DIN 00195354

A.Kamatchinathan
Chief Financial
Officer

Rakesh Garg
Director
DIN 00240379

Sudhir Anand
Head - Legal &
Company Secretary

Easun Reyrolle Limited

Regd. Office: "Temple Tower", VI Floor, 672, Anna Salai, Nandanam, Chennai – 600 035
 Ph: +91-44-24346425 / Fax No.+91-44-24346435 / E-mail: sec@easunreyrolle.com
 CIN No.L31900TN1974PLC006695

PROXY FORM

Folio No. / Depository Account No. _____ Name: _____

I / We being the member(s) of, shares of the above named company hereby appoint

1. Name	2. Name	3. Name
Address	Address	Address
e-mail id:	e-mail id:	e-mail id:
Signature Or failing him	Signature Or failing him	Signature Or failing him

as my / our proxy to attend and vote for me / us on my / our behalf at the 42nd ANNUAL GENERAL MEETING of the Company to be held on 30th September, 2017 at 10.00 a.m. at Hotel Ambassador Pallava, 53, Montieth Road, Chennai – 600 008 and at any adjournment thereof.

Sl. No.	Resolutions	Optional *	
		For	Against
Ordinary Business			
01.	To consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2017, the Balance Sheet as at 31st March, 2017 and the reports of Board of Directors and Auditors thereon.		
02.	To appoint a Director in place of Mr Hari Eswaran who retires by rotation and is eligible for re-appointment.		
03.	Ordinary Resolution for appointment of K S Rao & Co., Chartered Accountants, to hold office from the conclusion of this Annual General Meeting until the conclusion of 47 th Annual General Meeting.		
Special Business			
04.	Special Resolution under 180(1)(c) of Companies Act, 2013 to approve increase in Borrowing Limits.		
05.	Special Resolution: Approval for authorising Board of Directors for mortgage and /or create charge on the assets of the Company as per Section 180(1) (a) of Companies Act, 2013		

Revenue Stamp
Signature of Shareholder

Signature of the Proxy

- Note:
1. Proxy Forms must reach the Company's registered Office not less than 48 hours before the Meeting.
 2. A Proxy need not be a shareholder of the Company
 3. For the resolutions, explanatory statements and Notes, please refer to the Notice of 42nd Annual General Meeting.

Route Map



Venue of AGM:

**Hotel Ambassador Pallava,
53, Montieth Road,
Chennai 600 008,**



EASUN REYROLLE LTD

Registered Office: 6th Floor, "Temple Tower",
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