

FORM B

Format of covering letter of the annual audit report
to be filed with the stock exchanges

1.	Name of the Company:	Easun Reyrolle Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	appeared first time
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p><u>Qualifications made by Statutory Auditor's:</u></p> <p>Qualification 1:</p> <p>i) Note No. 31 to the financial statement 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.</p> <p>Management Reply:</p> <p>The company recognized the cost and revenue in respect supplies and installation activities at turn key projects at actual basis only, based on the running accounts bills accepted by the customers. The customers are approving the running accounts bills based on the completion of works at all level including technical nature.</p> <p>Qualification 2:</p> <p>Note No. 47 to the financial statement in respect of value of inventory pertaining to the 'Metering Business' amounting to Rs.215.41 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.</p> <p>Management Reply:</p> <p>The metering business stocks are still in good & marketable conditions only and company has not find</p>




CIN NO. L31900TN1974PLC006695

		<p>any impairment or significant down in the realizable value. We are in the process of getting the buyers for those stocks, and hence the impact will be taken in to account on actual sales.</p> <p><u>Management replies on the Qualifications made by Secretarial Auditor:</u></p> <p>Qualification 1</p> <p>Secretarial Auditor qualified that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, <i>except appointment of Women Director as required under the proviso to Section 149 (1).</i></p> <p><u>Management Reply:</u></p> <p>Company Management is putting incessant effort to appoint right person in the Board as Woman Director. We hereby undertake to make good the default by appointing Woman Director in the Board as early as possible.:</p> <p>Pease refer page No.47 of the 40th Annual Report for the year ended 31st March, 2015.</p>
7.	Type of Audit observation	Matter of Emphasis (Details given in Annual Report page No.49)
6.	Additional comments from the board/audit committee chair:	-
7.	To be signed by- <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the company • Audit Committee Chairman" 	Managing Director CFO Auditors of the Company Audit Committee Chairman

Signed by:



Mr Raj H Eswaran
Managing Director



P Chandrasekaran
Chief Financial Officer



William Stanley Jones
Chairman of Audit Committee



K Jayashankar
Statutory Auditor
Membership No.014156



N Srikrishna
Statutory Auditor
Membership No.26575



Date: 4th September, 2015

40th ANNUAL REPORT 2014 -2015



EASUN REYROLLE LIMITED



Easun Reyrolle Limited

40th Annual Report, 2014-2015

Chairman : Hari Eswaran

Managing Director : Raj H Eswaran

Directors : W S Jones
Rakesh Garg
J D N Sharma (upto 17.02.2015)
Raman M (upto 30.03.2015)

Chief Financial Officer : P Chandrasekaran

Company Secretary
and Compliance Officer : Praveen Hegde

Auditors : Brahmayya & Co.
Chartered Accountants
48, Masilamani Road
Balaji Nagar, Royapettah
Chennai – 600 014

R Subramanian & Co.
Chartered Accountants
No.6, Krishnaswamy Iyer Avenue
Luz, Mylapore, Chennai – 600 004

Registered Office : “Temple Tower”, 6th Floor
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. 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 Enterprises (India) Ltd.
2nd Floor, “Kences Towers”
No.1, Ramakrishna Street, North Usman Road
T Nagar, Chennai – 600 017

Easun Reyrolle Limited
40th Annual Report – 2014-15

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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 Fortieth Annual General Meeting of the Members of Easun Reyrolle Limited will be held on Monday 28th September, 2015 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, 2015, the Balance Sheet as at 31st March, 2015 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. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Brahmayya & Co and M/s R Subramanian & Co the retiring Auditors are eligible for re-appointment.

“Resolved that M/s. Brahmayya & Co., Chartered Accountants (Firm Registration No.000511S), and M/s. R Subramanian & Co., Chartered Accountants (Firm Registration No.004137S), be and are hereby re-appointed as Joint Statutory Auditors of the Company to hold such office until the conclusion of the next Annual General Meeting and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration as may be agreed upon between the Auditors and the Board of Directors.

Special Business

1. To consider and, if thought fit, to pass with or without modification, the following Resolution as a ORDINARY RESOLUTION:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the consent of the members of the Company be and is hereby accorded for payment of following mentioned remuneration to Mr Raj H Eswaran (holding DIN- 00195354) Managing Director of the Company with effect from April, 2015 for remaining duration of appointment upto 31st March, 2017

- i) Salary: Rs. 4.25 lacs per month.
- ii) Commission on profit, perquisites and other terms of contract:
 - a) Commission at 1% (One percent) of net profit of the Company in addition to salary. The amount of commission payable based on the net profits of the

Company in a particular year shall be subject to the overall ceiling laid down in Section 197 and Section 198 of the Companies Act, 2013.

- b) The Company would provide to the Managing Director a car for use on Company's business and telephone at residence. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

RESOLVED FURTHER THAT where in any financial year during the currency of his tenure, the Company has no profit or inadequate profits, Managing Director shall be paid the minimum remuneration as may be determined by the Nomination and Remuneration Committee which shall also have the authority to decide on the quantum, composition and periodicity of payment of such minimum remuneration subject however that such minimum remuneration shall not exceed the limit prescribed under Section II, Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in case Managing Director draws remuneration as a managerial person from another Company, the total remuneration payable by both the Companies shall not exceed the higher maximum limit permissible for any one of the Companies."

By Order of the Board
for Easun Reyrolle Limited

Praveen Hegde
Company Secretary

Place : Chennai

Date : 29th May, 2015

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 Enterprises (India) Limited, 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 40th 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 40th 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 40th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company’s website www.easunreynrolle.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 21st September, 2015 to 28th September, 2015 (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 Clause 35 of the Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all 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 21st September, 2015.
 - c) The e-voting period commences on 25th September, 2015 at 9.00 a.m. and ends on 27th September, 2015 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 dematerialised form, as on the cut-off date, i.e., 21st September, 2015, 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.
- 11) Mr T Jurisman Fernando, Advocate (MS No.182/2001), M/s. JK Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- 12) 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.
- 13) The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.easunreynrolle.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 40th Annual General Meeting of the Company on or before 30th September, 2015 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 Reynrolle Limited

Place : Chennai
Date : 29th May, 2015

Praveen Hegde
Company Secretary

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@easunreynrolle.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 40th Annual General Meeting of the Company to be held on Monday, 28th September, 2015 at 10.00 a.m. at Hotel Ambassador Pallava, 53, Montieth Road, Chennai 600 008.

The Board of Directors in their meeting held on 31st March, 2012 appointed Mr Raj H Eswaran (DIN: 00195354) as the Managing Director with effect from 1st April, 2012 for a period of 5 years and the same was approved by the Members at their Annual General Meeting held on 26th September, 2012 by way of Ordinary Resolution. The Members had also approved the payment of minimum remuneration as may be determined by the Remuneration Committee of the Board in Compliance with Schedule XIII of the Companies Act, 1956 to Mr Raj H Eswaran. Based on this, the Remuneration Committee had approved the payment of following minimum remuneration to Mr Raj H Eswaran .

- i) Salary: Rs. 4.25 lacs per month.
- ii) Commission on profit, perquisites and other terms of contract:
 - a) Commission at 1% (One percent) of net profit of the Company in addition to salary. The amount of commission payable based on the net profits of the Company in a particular year shall be subject to the overall ceiling laid down in Section 198 and Section 309 of the Companies Act, 1956.
 - b) The Company would provide to the Managing Director a car for use on Company's business and telephone at residence. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
 - c) The Managing Director shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof from the date of his appointment.

The current tenure of Mr. Raj H Eswaran is up to 31st March 2017. Sections 196 and 197 read with Schedule V of the Companies Act, 2013 requires approval of members by way of resolution for a period not exceeding three years towards payment of minimum remuneration in case of lack or inadequacy of profits. Your Company is paying salary within the limits of minimum remuneration as per Schedule V of the Companies Act, 2013. As a Promoter and Managing Director, Mr. Raj H Eswaran's leadership is essential for the development of the Company and looking forward to a growth phase. In view of this, it is proposed to seek the approval of Members for the payment of remuneration including commission as set out in the resolution.

Mr Raj H Eswaran was holding 2,90,100 equity shares of Rs. 2 each as on 31st March, 2015.

Except Mr Hari Eswaran Chairman and Mr Raj H Eswaran, Managing Director none of the other Directors of the Company is in any way concerned or interested in the Resolution.

Financial highlights for 10 years

[Rupees in lacs]

Sl. No.	Particulars	Year ended 31 st March									
		2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
1	Sales & Other Income	12658	26,557	31,397	34,522	30,255	32,244	17,232	20,762	13,521	10,817
2	Operating Expenditure	12128	23,898	26,921	31,277	28,581	25,262	15,863	16,606	10,393	8,356
3	Earning/Profit before interest, depreciation and tax (EBIDTA)	530	2,659	4,476	3244	1,674	6,982	1,369	4,156	3,128	2,461
4	Less: Interest	2645	3,023	2,342	2208	909	604	489	408	194	136
5	Less: Depreciation	2051	2,623	2,302	1,464	1081	766	514	385	277	254
6	Profit before tax	(4166)	(2,987)	(168)	(427)	(316)	5612	366	3,363	2,657	2,071
7	Exceptional Items	(601)	-	-	-	-	-	-	-	-	-
8	Less: Current tax	(430)	84	42	162	222	1,101	96	805	830	715
9	Less: Deferred tax	-	-	147	136	183	-	18	6	22	21
10	Less: Fringe benefit tax	-	-	-	-	-	-	24	24	38	27
11	Profit after tax	(4336)	(3,070)	(357)	(725)	(722)	4,511	228	2,528	1,767	1,308
12	(Less) / Add : Share of minority interest	(288)	(40)	-	(24)	-	(15)	43	-	-	-
13	Net profit after share in minority interest	(4049)	(3,110)	(357)	(701)	(722)	4,496	271	2,528	1,767	1,308
14	Add: Balance brought forward	(5,255)	(2,145)	(1,787)	(939)	173	649	1,114	202	100	77
15	Profit available for appropriation	(9,304)	(5,255)	(2,144)	(1,639)	(549)	5,145	1,385	2,730	1,867	1,385
16	Less: Proposed dividend on equity shares	-	-	-	42	249	831	415	510	333	200
17	Less: Interim dividend on equity shares	-	-	-	-	-	-	-	102	67	50
18	Less: Tax on dividends	-	-	-	7	41	141	71	104	65	35
19	Less: Transfer to General Reserve	-	-	-	100	100	4,000	250	1,500	1,200	1,000
20	Surplus carried to balance sheet	(9,304)	(5,255)	(2,144)	(1,788)	(939)	173	649	515	202	100

Note : From the financial year 2007-08 the Company expanded its operations through overseas subsidiaries. Accordingly, from the financial year 2007-08 the financial highlights shown are after consolidating the accounts of all subsidiary companies.

Directors' Report

To the Members

The Directors of your Company present the 40th Annual Report, with the statement of the audited accounts for the financial year ended 31st March, 2015.

1. Financial Performance

The standalone and consolidated audited financial results for the year ended 31st March, 2015 are as follows:

[Rupees in lacs]

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Sales and Other Income	6,937	18,434	12,658	26,557
Earnings before interest, Depreciation and Tax (EBIDTA)	(226)	710	530	2,988
Depreciation	734	802	2,051	2,623
Interest	2,599	2,749	2,645	3,023
Profit / (Loss) before tax & Exceptional Items	(3,559)	(2,841)	(4,166)	(2,658)
Exceptional Items	(601)	(369)	(601)	(369)
Profit / (Loss) before Tax	(4,160)	(3,210)	(4,766)	(3,026)
Provision for Taxation	430	-	430	84
Net Profit / (Loss)	(3,730)	(3,210)	(4,336)	(3,110)

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. Fund Raising - Equity – Rights Issue

During the year under review, your Company successfully placed 99,87,127 equity shares of Rs.2 each at a price of Rs.59 aggregating to Rs.5892 lacs to existing shareholders on rights basis in the Ratio of 12:25.

The proceeds received through Rights issue were utilised for the purpose for which it was raised.

Consequent to the above, the paid up value of the equity share capital of the Company stands increased from Rs.4.16 crores to 6.15 crores.

4. Management Discussions and Analysis:

a. Industry structure and developments.

The industry is structured in major two segments – mainly power generation and Transmission and Distribution.

The delay in execution of power and T&D projects in India leads to huge congestion in T&D division. Few states in India are investing in the T&D infrastructure. The industry is awaiting implementation of reforms as most of the Companies continue to struggle due to highly leveraged Companies Balance sheets. Due to the slow economic growth in the past years and also increase in the NPA's in the banking industry forcing the bankers to restrict their exposure in the T&D sector.

At present the power sector did not grow due to improper liberalisation as expected.

Sales and cash flows of our Company were impacted due to the above said factors.

b. Opportunities and Threats.

India is the world's second fast growing major economy. In the next two decades, current size of economy of USD five trillion is expected to grow four to five times as per various studies and estimates. Also India is the second most populous country in the world, with over 1.26 billion people. All the factors indicate potential for high growth of power demand consequently high market demand for T&D products & solutions.

Developers of Power Plants have been facing numerous constraints like coal/gas allocation, environmental clearance, land acquisition, financing and funds tie-ups etc, for the last 4 years. This has resulted in only very few new projects coming up and the demand for T&D products considerably comes down.

The declined growth of the core industries has remained a drag on industrial production. Eight core industries consisting 38% in Index of Industrial production have decelerated further after registering only 3.59%, the lowest in the last five years, due to a decline in crude oil, natural gas production and steel.

Many Indian Corporate are highly leveraged there financial capacities due to new investment. Both Central and state Government should support the infrastructural investment and growth.

c. Segment-wise or product-wise performance.

Continuous product development is the cornerstone of ERL for meeting the challenges in today's environment. ERL places strong emphasis on innovation and development. The R&D efforts of the company are not only aimed at improving the performance and efficiency of the existing products, but also developing new products using state-of-the-art technologies. At present, ERL is concentrating in protection and automation business, which is the core strength.

d. Outlook

The Government focus on power and T&D sector is very high. The New NDA Government at centre is putting efforts to drive economic growth at 9% rate. The outcome of new price policy for gas allocation and cancellation of old coal mines with new auction system is expected in the coming years.

The Government is also focusing on private participation in the transmission sector, tariff based competitive bidding projects, which helps the industry in coming years.

The coming year is expected moderate growth in depends upon the implementation of reform process.

ERL has significant presence in the field of Power Protection & Automation in India and abroad with a wide range of products and solutions. The business outlook is very positive

To maintain and enhance its presence in the T&D segment, ERL has taken initiatives for improving the performance parameters of existing products.

e. Risks and concerns.

ERL has in place a Board approved Risk Management Policy, which provides over all frame work for Risk Management in the company.

Some of the key risks the company faces:

- Increasing competition
- Delayed delivery of products leading to LDs, penalties and customer dis-satisfaction
- Rising debtors may lead to working capital pressure

Company has competitive manufacturing facilities. We are always upgrading our technologies and product mix in accordance with market requirements, which will help us to reduce our burdens at large extent.

f. 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.

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

On a standalone basis, the Company achieved revenue from operations of Rs.6241.42 Lacs and EBIT of Rs (959.17) Lacs as against Rs.18217.72 Lacs and Rs (92.15) Lacs respectively in the previous year. Net loss for the year is Rs.3729.33 Lacs as compared to net loss of Rs.3210.40 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. 11,793.10 Lacs and EBIT of Rs. (1520.41) Lacs as against Rs. 25,647.24 Lacs and Rs. 404.79 Lacs respectively in the previous year. Net loss for the year is Rs. 4048.66 Lacs as compared to loss of Rs.3110.35 Lacs in the previous year.

h. 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 are being maintained cordial. Due to cost reduction, we have reduced the manpower cost during the current year.

Cautionary Statement:

Statements in the management's discussion and analysis report, which seek to describe the company's expectations and predictions may be considered to be "forward looking statements" and are stated as required by applicable laws and regulations. Actual results could differ from those expressed or implied. Many factors including global and domestic demand-supply conditions, prices, raw-materials availability, technological changes, changes in government regulations and policies, tax laws and other statutes may affect the actual results, which can be different from what the Directors' envisage in terms of future outlook.

5. Human Resource Development

The Company's industrial relations remained peaceful at all factories and establishments during the financial year. The Company is continuously improving employees skill sets through training and personality development programs.

6. Material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2015 and 29th May, 2015 (date of the Report)

There were no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2015) and the date of the Report (29.05.2015)

7. Internal Control Systems and their Adequacy

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

8. Subsidiary Companies and Consolidated Financial Statements:

The Company has 7 subsidiaries as on March 31, 2015. 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 accounts in respect of subsidiaries, are available on the website of the Company.

9. 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.

10. Corporate Governance Report

Your Company has been practicing the principle of good Corporate Governance over the years and ensures to comply with the provisions of Clause 49 of the Listing Agreement with Stock Exchanges. A detailed report on the Corporate Governance Code and practices of the Company along with a certificate from the statutory Auditor regarding compliance of the conditions of Corporate Governance as stipulated under the Listing Agreement is attached as Annexure - A to this Report.

11. Auditors

M/s. Brahmayya & Co., Chartered Accountants and M/s R Subramanian & Co., Chartered Accountants, Joint Statutory Auditors of the Company, retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received confirmation from both the firms regarding their consent and eligibility under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for appointment as the Auditors of the Company.

As required under Clause 41 of the Listing Agreement, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Audit Committee and the Board of Directors recommended their re-appointment for the year 2015-16. The necessary resolution is being placed before the shareholders for approval.

12. 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 March 31, 2015. The Secretarial Audit Report (in Form MR-3) is attached as Annexure - C to this Report.

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

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

14. Extract of Annual Return

An extract of Annual Return in Form MGT-9 as on March 31, 2015 is attached as Annexure - F to this Report.

15. Directors and Key Managerial Personnel

During the year under review, Mr JDN Sharma, Non-Executive Director and Mr M Raman, Independent Director stepped down from the Board. The Board wishes to place on record its deep sense of appreciation for the valuable contributions made by them to the Board and the Company during their tenure as Directors.

Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Dr William Stanley Jones and Mr Rakesh Garg were appointed as independent directors at the annual general meeting of the Company held on 29th September, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

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

Pursuant to the provisions of Section 203 of the Act, which came into effect from April 1, 2014, the appointments of Mr P Chandrasekaran, Chief Financial Officer, as key managerial personnel of the Company were formalised and Mr Praveen Hegde appointed as Company Secretary and Compliance officer in the month of September, 2014.

16. 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 KMP'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.

17. 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.

18. 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 Securities and Exchange Board of India (“SEBI”) under Clause 49 of the Listing Agreements (“Clause 49”).

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.

19. 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 of the profit and 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.

20. Audit committee

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

21. Particulars of loans, guarantees and investments

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

22. 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 Clause 49 of the Listing Agreement, 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: http://www.easunreyrolle.com/uploads/investorrels/2014/12/13918511951418634190_ERL%20-%20whistle-blower-policy-final.pdf

23. Related Party Transactions

There have been no materially-significant related party transactions made by Company with the promoter, the Directors, the Key managerial personnel which may be in conflict with the interest of the Company at large. All related party transactions as placed before the Audit Committee has also received approval from the Board. The policy on related party transactions as approved by the Board can be accessed on the Company website : http://www.easunreyrolle.com/uploads/investorrels/2015/8/13786278951439265073_Final-Policy%20on%20related%20party%20transactions.pdf

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.

24. 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.

25. Corporate Social Responsibility

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

26. Disclosure requirements

As per Clause 49 of the listing agreements entered into with the stock exchanges, corporate governance report with auditors certificate thereon and management discussion and analysis are attached, which form part of this report.

As per Clause 55 of the listing agreements entered into with the stock exchanges, a business responsibility report is attached and forms part of this annual report.

Policy on dealing with related party transactions is available on the website of the Company (URL: http://www.easunreyrolle.com/uploads/investorrels/2015/8/13786278951439265073_Final-Policy%20on%20related%20party%20transactions.pdf).

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 the revised Clause 49 of the Listing Agreements with stock exchanges (URL: http://www.easunreyrolle.com/uploads/investorrels/2014/12/13918511951418634190_ERL%20-%20whistle-blower-policy-final.pdf).

27. 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.

28. Concluding Remarks

The Directors wish to express their appreciation to all employees of the Company for their sincere and dedicated services during the year. 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 : 29th May, 2015

Annexure – A to the Directors’ Report for the year ended 31st March, 2015

Corporate Governance Disclosure

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company 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 :

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		
			Board Meetings	Last Annual General Meeting	Directorship	Committee Membership	Chairmanship
1	Mr Hari Eswaran	Promoter Director (Chairman)	5 of 5	Attended	1	-	1
2	Dr W S Jones	Independent Director	3 of 5	Not Attended	1	-	-
3	Mr Raj H Eswaran	Promoter Director (MD)	5 of 5	Attended	2	-	-
4	Mr Rakesh Garg	Independent Director	4 of 5	Attended	3	-	-
5	Mr JDN Sharma *	Director	2 of 4	Not Attended	3	-	-
6	Mr Raman M#	Independent Director	1 of 5	Not Attended	3	-	-

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

* Mr JDN Sharma stepped down as Director w.e.f. 17th February, 2015

Mr M Raman stepped down as Director w.e.f. 30th March, 2015

Number of Board Meetings held during the financial year 2014-15 : 5 (Five)

Dates of Board Meeting held during the Financial Year 2014-15 is as below:

Board Meeting Number	Date of Board Meeting
1	07-04-2014
2	30-05-2014
3	13-08-2014
4	14-11-2014
5	17-02-2015

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, 78 years, is one of the founder Directors 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. Easun Reyrolle Projects Limited - Director
8. ERL International Pte. Limited, Singapore – Chairman
9. ERL Marketing International FZE, Sharjah – Chairman
10. Switchcraft Europe GmbH, Germany – Chairman
11. Switchcraft Limited, Hongkong – Chairman
12. ERL Switchcraft Pte. Limited, Singapore – Chairman
13. ERL (Thailand) Company Limited – Director

Mr. Hari Eswaran is holding 79,755 Equity Shares of Rs.2 each in Easun Reyrolle Limited as on 31st March 2015.

3. Audit Committee:

The Audit Committee of the Company comprised of five Members namely, Dr W S Jones, Mr Raj H Eswaran, Mr Rakesh Garg, Mr JDN Sharma and Mr M Raman. Dr. W S Jones is the Chairman of the Audit Committee. However, Mr. JDN Sharma and Mr. M Raman stepped down as Directors of the Company on 17th Feb, 2015 and 30th March, 2015 respectively.

The Terms of reference specified by the Board to the Audit Committee are in conformity with Clause 49 of the Listing Agreement.

During the year 2014-15, 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	No. of Meetings	
		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
04.	Mr JDN Sharma, Member *	2	3
05.	Mr M Raman, Member #	-	4

* Mr JDN Sharma stepped down as Director w.e.f. 17th February, 2015 and consequently, his membership in the Committee (wherein he was a member) also ceased.

Mr M Raman stepped down as Director w.e.f. 30th March, 2015 and consequently, his membership in the Committee (wherein he was a member) also ceased.

4. Nomination and Remuneration Committee

The Company had a Remuneration Committee of Directors. In line with the Companies Act, 2013 and Clause 49 of the Listing Agreement requirements, the nomenclature of this Committee has been changed to Nomination and Remuneration Committee.

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

Name	Category	Number of Meetings during the year 2014-15	
		Attended	Held
Dr W S Jones	Independent, Non-Executive	2	2
Mr Rakesh Garg	Independent, Non-Executive	2	2
Mr M Raman @	Independent, Non-Executive	-	2
Mr Raj H Eswaran *	Promoter – Executive Director	1	1
Mr Hari Eswaran #	Promoter – Non-Executive Director	1	1

Note: @ Mr M Raman stepped down as Director w.e.f. 30th March, 2015 and consequently, his membership in the Committee (wherein he was a member) also ceased.

* Mr Raj H Eswaran, ceased to be a member w.e.f 14th November, 2014

Mr Hari Eswaran was inducted as Member of the Committee w.e.f. 14th November, 2014

(i) The broad terms of reference of the Nomination and Remuneration Committee are as under:

- 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.
- 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.

(ii) Nomination and Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual and the Company. Through its compensation policy, the Company endeavors to attract, retain, develop and motivate a 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.

(iii) Details of Remuneration paid to Executive / Non-Executive Director for the year ended 31st March, 2015:

(a) Non-Executive Directors:

Name	Commission (Rs. Lacs)	Sitting Fee (Rs. Lacs)
Mr Hari Eswaran, Chairman	-	0.45
Dr. W S Jones	-	0.50
Mr Rakesh Garg	-	0.55
Mr J D N Sharma	-	0.20
Mr M Raman	-	0.05

(b) Executive Director:

Name	Salary (Rs. Lacs)	Commission (Rs. Lacs)	Sitting Fee (Rs. Lacs)
Mr. Raj H Eswaran	48	nil	nil

(iv) Details of The 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 KPM to median remuneration of employees
1.	Raj H Eswaran	Managing Director	48	1 : 10.52
2.	P Chandrasekaran	Chief Financial Officer	38	1 : 8.33
3.	Praveen Hegde	Company Secretary	5.52	1 : 1.21

Note: There is no increase in the remuneration for the year 2014-15 for KMP's

5. Stakeholders' Relationship Committee

The Company had a Shareholders' / Investors' Grievance Committee of Directors. In line with the Companies Act, 2013 and Clause 49 of the Listing Agreement requirements, the nomenclature of this Committee has been changed to Stakeholders' Relationship Committee.

The Stakeholders' Relationship Committee comprises of Mr Hari Eswaran and Mr Raj H Eswaran. Mr Hari Eswaran (a non-executive Director) is the Chairman of the Committee. 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 Praveen Hegde, Company Secretary is the Compliance Officer of the Company.

During the year 2014-15 the Company received 13 complaints and all the complaints were resolved to the satisfaction of the Shareholders.

6. 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
2012	Hotel Ambassador Pallava 53, Montieth Road. Chennai – 600 008	26.09.2012	03 p.m.	Nil
2013		26.09.2013	03 p.m.	Nil
2014		29.09.2014	10 a.m.	3

Postal Ballot

No resolution was passed through Postal Ballot during the year 2014 - 15.

7. 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 of Notes on Accounts of the accompanying Annual Report.

b. Strictures and Penalties

There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority on any matter related to the capital market for the years 2012-13 and 2013-14.

During the year (2014-15), due to delay in submission of Annual Reports to Stock Exchanges, your Company has paid a sum of Rs.6,371 as fine to Stock Exchanges.

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://www.easunreynrole.com/uploads/investorrels/2014/12/13918511951418634190_ERL%20-%20whistle-blower-policy-final.pdf and circulated to all the Directors / employees.

- d. The Company confirms that during the financial year 2014-15, it complied with mandatory reporting requirement (except the delay in submission of previous year (2013-14) Annual Report to Stock Exchanges) of Corporate Governance. The Company did not adopt any of the non-mandatory reporting requirements mentioned in Clause 49 of the Listing Agreement.

8. Means of Communication :

- (a) 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.
- (b) The Company is posting in its website, www.easunreynrole.com the quarterly financial results as well as presentations made to institutional investors / analysts.

9. General Shareholder information :

(a) Annual General Meeting for 2015

- a) Date : 28th September, 2015
- b) Time : 10.00 a.m.
- c) Venue : Hotel Ambassador Pallava, 53, Montieth Road, Chennai 600 008

(b) Financial calendar:

Results for the quarter ended 30 th June, 2015	Second week of August, 2015
Results for the quarter ended 30 th September, 2015	Second week of November, 2015
Results for the quarter ended 31 st December, 2015	Second week of February, 2016
Results for the quarter ended 31 st March, 2016	Last week of May, 2016

(c) Book Closure date:

The Register of Members and the Share Transfer Books of the Company will remain closed from 21st September, 2015 to 28th September, 2015 (both days inclusive).

(d) Listing on Stock Exchanges:

1. National Stock Exchange of India Limited, Mumbai
2. 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

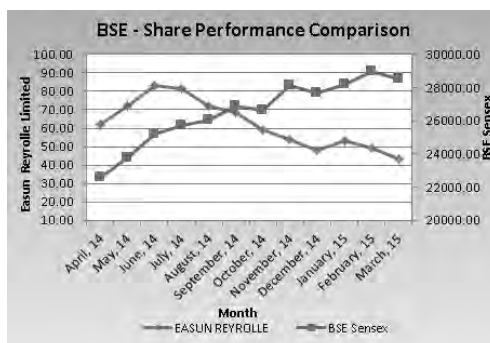
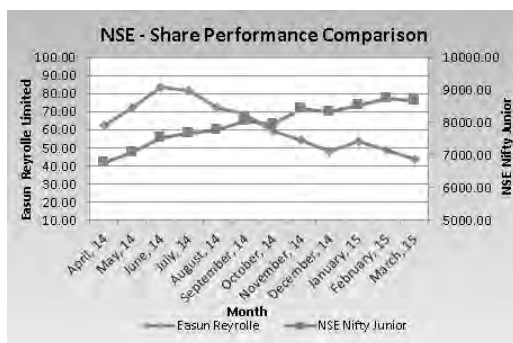
(f) Market Price Data :

Highlights of Market Price of the Company's Shares traded on National Stock Exchange and Bombay Stock Exchange during 2014-15 are as follows:

Period	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2014	67.90	59.55	67.75	59.00
May, 2014	92.25	59.00	92.50	60.50
June, 2014	98.50	73.30	98.00	72.15
July, 2014	96.20	74.50	95.70	74.25
August, 2014	78.00	65.00	78.95	65.00
September, 2014	82.00	61.15	81.65	61.00
October, 2014	63.00	53.90	63.00	54.05
November, 2014	62.60	47.60	62.00	47.50
December, 2014	55.40	40.65	56.45	41.00
January, 2015	62.50	48.65	62.50	49.00
February, 2015	54.90	43.65	55.05	44.00
March, 2015	53.95	34.15	51.00	35.25

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

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



(h) Registrars and Transfer Agents :

Integrated Enterprises (India) Limited,
2nd Floor, "Kences Towers", No.1, Ramakrishna Street,
North Usman Road, T Nagar, Chennai 600 017
Telephone No: +91 044 28140801 to 28140803,
Email: corpserv@integratedindia.in

(i) 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.

(j) Dematerialization of Shares and Liquidity

97.57% of the paid up capital has been dematerialized as at 31st March 2015. The highest trading activity is witnessed on National Stock Exchange, Mumbai.

The average daily turnover of the Company's equity shares on National Stock Exchange, Mumbai and Bombay Stock Exchange Limited, Mumbai during 2014-15 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	46,133	62.35
02.	Bombay Stock Exchange Limited	20,146	62.35

(k) 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 31.03.2015.
- ii) Securities held in abeyance: Issue and allotment of 1498 Equity Shares of Rs.2 each (including 675 Shares on Bonus and 648 Shares on 2014 Rights Issue) which are subject to matter of suite filed in a court, is held in abeyance pursuant to Section 126 of the Companies act, 2013.

(l) Plant Location :

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

(m) Address for Correspondence :

i	For transfer / dematerialization of shares and other queries relating to Company's shares	Integrated Enterprises (India) Limited, 2nd Floor, "Kences Towers", No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai 600 017 Email: corpserv@integratedindia.in
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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
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(n) Transfer of unclaimed dividend to Investor Education and Protection Fund of the Central Government:

During the year 2014-15, the Company transferred the following Dividend to IEPF:

Dividend for the year	No. of Equity Shares	No. of Share holders	Amount Rs.	Date of Transfer
Final Dividend for the Financial Year 2006-07	202939	606	4,05,878.00	18.11.2014
Interim Dividend for the year 2007-08	271579	955	1,35,911.00	11.06.2015

The Company will be transferring the following Unpaid Dividend to the Investor Education and Protection Fund in 2015-16 is as below:

Dividend for the year	Declared on	Transferring to IEPF during
Final Dividend for the year 2007-08	29th September, 2008	October, 2015

(o) Shareholding pattern as at 31st March, 2015:

Sl. No.	Category	No. of Shares held	Percentage of Shareholding
01.	Promoters' Holding		
	Indian Promoters- Mr Hari Eswaran & Associates	1,11,10,532	36.08
02.	Non-promoters' Holding		
	a) Bank	-	-
	b) <u>Others</u>		
	- Mutual Fund	37,85,738	12.29
	- Private Corporate Bodies	17,47,932	5.68
	- Foreign Institutional Investors	15,04,989	4.89
	- NRIs/OCBs	4,52,102	1.47
	- Depository Participants	-	-
	c) Indian Public	1,21,92,848	39.59
	Total	3,07,94,141	100.00

(p) Distribution of Shares as on 31st March, 2015:

Sl.	Distribution of Shareholding	No. of Shareholder	% to total	No. of Shares	% to total
1	Upto 500 Shares	11,252	76.90%	16,55,734	5.38%

Sl.	Distribution of Shareholding	No. of Shareholder	% to total	No. of Shares	% to total
2	501 to 1000 Shares	1,514	10.35%	12,45,714	4.04%
3	1001 to 2000 Shares	862	5.89%	13,18,804	4.28%
4	2001 to 3000 Shares	359	2.45%	9,23,397	3.00%
5	3001 to 4000 Shares	164	1.12%	5,84,874	1.90%
6	4001 to 5000 Shares	116	0.79%	5,50,001	1.79%
7	5001 to 10,000 Shares	187	1.28%	13,58,135	4.41%
8	More than 10,000 Shares	178	1.22%	2,31,57,482	75.20%
Total		14,632	100.00%	3,07,94,141	100.00%

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 pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

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.

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 Clause 49(II)(E) of the Listing Agreement, the Managing Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management.

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 Policy on Code of Conduct is hosted on the Company's website under the web link http://www.easunreynolle.com/uploads/investorrels/2015/5/19466414041431598625_Code%20of%20Conduct%20for%20Prevention%20of%20Insider%20Trading.pdf

**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, 2015, 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

Place : Chennai
Date : 29th May, 2015

Hari Eswaran
Chairman
(DIN No. 00196760)

**Certificate from Managing Director and Chief Financial Officer forming part of
the Directors' Report for the year ended 31st March, 2015**

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their 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. That there are no significant changes in internal control over financial reporting during the year;
 2. That 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. That 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)

P Chandrasekaran
Chief Financial Officer

Place : Chennai

Date: 29th May, 2015

Independent Auditor's Report on Corporate Governance to the Members of M/s. Easun Reyrolle Limited

1. We have examined the compliance of conditions of Corporate Governance of Easun Reyrolle Limited for the year ended on 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.
2. The compliance of conditions is the responsibility of the management. Our examination has been limited to a review of the procedures and the implementations thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing agreement.
4. We state that no investor's grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholder Relationship Committee.
5. 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.

Per our Report of even date annexed

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

N. Srikrishna
Partner
Membership No. 26575

For R.SUBRAMANIAN AND COMPANY
Chartered Accountants
Firm Regn. No. 004137S

K. Jayashankar
Partner
Membership No. 14156

Place : Chennai
Date : 29th May, 2015

Annexure – B to the Directors’ Report for the year ended 31st March, 2015

Information pursuant to Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

A. Conservation of Energy	
<ul style="list-style-type: none"> (i) Energy Conversion (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 	<p>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.</p> <p>Disclosure requirement is not applicable to the Company.</p>
B. Technology Absorption	
(i) Research and Development	
(1) Specific areas in which R&D is carried out by the Company	<ul style="list-style-type: none"> (a) Protective Relays – Feeder Protection Relay & its Variants (b) Field Remote Terminal Unit & MiniRTU (c) Substation Automation and Control Products
(2) Benefits derived as a result of the above efforts	<ul style="list-style-type: none"> (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	<ul style="list-style-type: none"> (a) To add additional variants of the Sub-Transmission and Distribution segment Protection Relays. (b) To develop SCADA compatible products such as Field Remote Terminal Device Unit & its Variants.

<p>(4) Expenditure on R&D</p> <p>(a) Capital</p> <p>(b) Recurring</p> <p>(c) Total</p> <p>(d) Total R&D expenditure as a percentage of total turnover</p>	<p>-</p> <p>Rs.164.69 Lacs</p> <p>Rs.164.69 Lacs</p> <p>2.37%</p>
<p>(ii) Technology absorption, adaptation and innovation</p>	
<p>(1) Efforts, in brief, made towards technology absorption, adaptation and innovation.</p>	<p>(a) Use of Multi-core processor designs with SOM architecture and re-use of software across products, reduce the product development Cycle.</p> <p>(b) Integration of product development across global development teams by Joint development work and use of configuration and other tools.</p>
<p>(2) Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development substitution, etc.,</p>	<p>(a) Use of Multi-core processor designs with SOM architecture cut down the product cost by 30% to 40%.</p> <p>(b) The absorption / Re-use of Algorithms, Software has reduced the Product development cycle.</p> <p>The development of substation Automation Products has resulted in reduction of Import cost and provide product upgrades to Customers.</p>
<p>(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)</p> <p>(a) Technology imported</p> <p>(b) Year of Import</p> <p>(c) Has technology been fully absorbed</p> <p>(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.</p>	<p>Nil</p>

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.2,916.97 lacs Rs.657 lacs

On Behalf of the Board of Directors

Place : Chennai
 Date : 29th May, 2015

Hari Eswaran
 Chairman
 (DIN No. 00196760)

Annexure – C to the Directors' Report for the year ended 31st March, 2015

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March 2015

[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/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EASUN REYROLLE LIMITED (L31900TN1974PLC006695)** having its Registered Office at **Temple Tower, 6th Floor No.672, (Old No.476), Anna Salai, Nandanam, Chennai – 600035**, Tamil Nadu (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our 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/We hereby report that in my/our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- a) The Companies Act, 2013 (the Act) and the Rules made there under;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- d) Foreign Exchange Management Act, 1999 and the rules and regulations made hereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - 4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
6. 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;
7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
 - f) Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - g) Employees State Insurance Act, 194
 - h) Environment Protection Act, 1986 and other environmental laws
 - i) Equal Remuneration Act, 1976
 - j) Factories Act, 1948
 - k) Contract labour Act
 - l) Industrial Dispute Act, 1947
 - m) Maternity Benefits Act, 1961
 - n) Minimum Wages Act, 1948
 - o) Payment of Bonus Act, 1965
 - p) Payment of Gratuity Act, 1972
 - q) Payment of Wages Act, 1936
 - r) Trade Union Act, 1926
 - s) Apprentices Act, 1961

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable for the financial year 31st March 2015).
- b. The Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange;
- c. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except: *As per the Listing Agreements with NSE and BSE, the Company was required to submit Annual Report in respect of AGM held on 29.09.2014 before 21 days from the date of AGM, i.e., on or before 08.09.2014. However, the Company submitted the Annual Report on 12.09.2014, after a delay of 4 days.*

I/we further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, *except appointment of Women Director as required under the proviso to Section 149 (1).*

- a. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I/we further report that during the audit period:

- a. In May 2014, the Company completed allotment of 99,87,127 Rights Equity Shares of Rs. 2 each at a premium of Rs. 57.
- b. At the Annual General meeting held on 29th September 2014, the shareholders, by special resolution, authorized the Board of Directors to borrow upto Rs. 300crores (Apart from temporary loans obtained from the Company's Bankers in the ordinary course of Business) over and above the aggregate of the paid-up capital and free reserves.

Place: Bangalore

Date: 29th May,2015

S. Viswanathan
Practicing Company Secretary

ACS No. : 5284

CP. No. : 5284

ANNEXURE – D to the Directors’ Report for the year ended 31st March, 2015
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.	Particulars							
	Name of the subsidiary	ERL International, 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.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April to March	April to March	April to March	April to March	April to March	April to March	April to March
2.	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
3.	RATE	62.495	62.495	62.495	62.495	62.495	62.495	62.495
4.	Share capital	19998.40	4374.65	650.63	0.06	4820.41	16.13	0.06
5.	Reserves & surplus	3212.69	(3181.48)	(584.35)	(955.48)	(4759.02)	(1279.41)	(117.32)
6.	Total assets	26,496.72	5881.31	941.38	10,005.29	4084.16	3.18	134.28
7.	Total Liabilities	3285.63	4688.14	875.10	10960.71	4022.77	1266.46	251.55
8.	Investments(Excluding Investments in Subsidiary)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
9.	Turnover	80.25	4706.42	1286.60	264.87	295.28	Nil	408.05
10.	Profit before taxation	63.72	93.88	52.45	264.84	(1003.33)	(0.51)	(79.25)
11.	Provision for taxation	Nil	Nil	Nil	Nil	Nil	Nil	Nil
12.	Profit after taxation	63.72	93.88	52.45	264.84	(1003.33)	(0.51)	(79.25)
13.	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil
14.	% of shareholding	100%	100%	100%	80%	80%	80%	82%

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

1. Converted into Indian Rupees at the exchange rate 1 USD= Rs.62.495 as on 31st March 2015
2. Converted in to USD at the exchange rate of 1 EURO=USD 1.230 as on 31st March 2015
3. Converted in to USD at the exchange rate of 1 HKD= 0.12895 as on 31st March 2015
4. Converted in to USD AT the exchange rate of 1 AUD =0.847 as 31st March 2015

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

1. Names of associates or joint ventures which are yet to commence operations.

2. Names of associates or joint ventures which have been liquidated or sold during the year

For and on behalf of Board of Directors

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

N Sri Krishna
Partner
Membership No: 26575

For R SUBRAMANIAN & CO.
Chartered Accountants
Firm Regn No : 004137S

K Jayashankar
Partner
Membership No: 014156

Raj H Eswaran
Managing Director
Din 00195354

P Chandrasekaran
Chief Financial Officer

Rakesh Garg
Director
Din 00240379

Praveen Hegde
Company Secretary

Place : Chennai
Date : 29th May 2015

ANNEXURE – E to the Directors’ Report for the year ended 31st March, 2015

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 2014-15	Transaction in ordinary course of business Purchase of Goods – Rs.139.90 Lacs	13.08.2014	Nil
b)	ERL Market- ing Interna- tional 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 2014-15	Transaction in ordinary course of business Purchase of goods Rs. 6.67 Lacs Sales of Goods Rs.682.50 Lacs	13.08.2014	Nil
c)	Switchcraft Europe GmbH, (Subsidiary)	Sales/ pur- chase transac- tions	There are routine and regular intra group transactions, which are carried out on a continu- ous basis. This was active throughout 2014-15	Transaction in ordinary course of business Purchase of Goods – Rs. 10.34 Lacs Sale of Goods – Rs. 76.50 Lacs	13.08.2014	Nil

On Behalf of the Board of Directors

Hari Eswaran
Chairman
(DIN No.00196760)

Place : Chennai
Date : 29th May 2015

ANNEXURE – F TO THE DIRECTORS’ REPORT FOR THE YEAR ENDED 31ST MARCH, 2015

Form No. MGT-9 EXTRACT OF ANNUAL RETURN as on the financial year ended on 31/03/2015

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

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L31900TN1974PLC006695
ii) Registration Date	August 29, 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- 4344 – 401600 Fax: +91-4344-276397 Email: sec@easunreyrolle.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Integrated Enterprises (India) 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	56.75 %
2.	Turnkey projects	-	34.82%

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				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	
A. Promoters (1) Indian									
a) Individual/HUF	6,14,469		6,14,469	2.95	6,14,471		6,14,471	2.00	(0.95)
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp	53,69,167		53,69,167	25.80	1,04,21,061		1,04,21,061	33.84	8.04
e) Banks / FI									
f) Any Other									
Sub-total (A) (1):-	5,983,636		5,983,636	28.76	1,10,35,532		1,10,35,532	35.84	7.08
(2) Foreign									
a) NRIs - Individuals	75,000		75,000	0.36	75,000		75,000	0.24	(0.12)
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-	75,000		75,000	0.36	75,000		75,000	0.24	(0.12)
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	60,58,636		60,58,636	29.12	1,11,10,532		1,11,10,532	36.08	6.96

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	33,69,442		33,69,442	16.19	37,85,738		37,85,738	12.29	(3.9)
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs	5,000		5,000	0.02	15,04,989		15,04,989	4.89	4.87
h) Foreign Venture Capital Funds									
i) Others (NRI)	3,43,287		3,43,287	1.65	4,52,102		4,52,102	1.47	(0.18)
Sub-total (B)(1):-	37,17,729		37,17,729	17.87	57,42,829		57,42,829	18.65	(0.78)
2. Non Institutions									
a) Bodies Corp.	10,00,188	2,630	10,02,818	4.82	17,45,802	2,130	17,47,932	5.68	0.86
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lac	59,91,759	6,69,442	66,61,201	32.01	81,30,622	6,38,500	87,69,122	28.48	(3.53)
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lac	32,60,220	1,06,410	33,66,630	16.18	33,17,316	1,06,410	34,23,726	11.12	(5.06)
c) Others									
Sub-total (B)(2):-	1,02,52,167	7,78,482	1,10,30,649	53.01	1,31,93,740	7,47,040	1,39,40,780	45.27	(7.74)
Total Public Shareholding (B) = (B)(1)+ (B)(2)	1,39,69,896	7,78,482	1,47,48,378	70.88	1,89,36,569	7,47,040	1,96,83,609	63.92	(6.96)

(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	% of Shares Pledged /	No. of Shares	% of total Shares of the company	% of Shares Pledged /	
1.	Easun Products of India Pvt Ltd.,	22,67,557	10.90	--	33,67,557	10.94	--	0.04
2.	Easun Engineering Company Limited	16,32,500	7.85	--	16,32,500	5.30	--	(2.55)
3.	Sowraj Investments P Ltd.,	10,10,000	4.85	--	10,10,000	3.28	--	(1.57)
4.	Sowraj Investments Pvt Ltd	4,48,060	2.15	--	43,99,954	14.29	--	12.14
5.	Raj Hari Eswaran	2,90,100	1.39	--	2,90,100	0.94	--	(0.45)
6.	Visalam Hari Eswaran	1,56,295	0.75	--	1,56,295	0.51	--	(0.24)
7.	Hari Eswaran	79,755	0.38	--	79,755	0.26	--	(0.12)
8.	Vinod Subramaniam	75,000	0.36	--	75,000	0.24	--	(0.12)
9.	Sowmya Hari Eswaran	24,775	0.12	--	24,775	0.08	--	(0.04)
10.	Sita Sankaran	20,004	0.09	--	20,004	0.06	--	(0.03)
11.	Saraswathi Venkataraman	12,075	0.06	--	12,075	0.04	--	(0.02)
12.	E Raman	11,455	0.06	--	11,455	0.04	--	(0.02)
13.	Eswaran And Sons Engineers Limited	11,050	0.05	--	11,050	0.04	--	(0.01)
14.	Meenakshi Subramaniam	9,505	0.05	--	9,505	0.02	--	(0.03)
15.	Anushka Raj Eswaran	5,250	0.03	--	5,250	0.02	--	(0.01)
16.	Prithvi Raj Eswaran	5,250	0.03	--	5,250	0.02	--	(0.01)
17.	E Krishnan	5	0.00	--	7	0.00	--	0.00
	Total	60,58,636	29.12	--	1,11,10,532	36.08	--	6.96

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

Sl.	Shareholding	No. of shares	% of total shares of the company
1.	At the beginning of the year	60,58,636	29.12
2.	Increase in Promoters Shareholding during the year (Date : 20.05.2014)	<i>Please refer note below</i>	
3.	At the End of the year	1,11,10,532	36.08

Note: During the year, the Company raised funds by issuance of equity shares on Rights Basis to existing Shareholders in the ratio of 12:25. In view of the same, the promoters holding have been increased from 29.12% to 36.08%.

(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 (01.04.2014)		Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	IDFC Premier Equity Fund	18,40,000	8.84	-	-
2.	Sundaram Mutual Fund A/C Sundaram Smile Fund	12,30,942	5.92	18,33,658	4.00
3.	K. Balasubramanian	6,98,588	3.36	6,98,588	2.27
4.	Sanjiv Dhireshbhai Shah	6,72,907	3.23	1,472	0.00
5.	HDFC Trustee Company Limited - Hdfc Infrastructure Fund	2,98,500	1.43	4,41,780	1.43
6.	B.Bharathan Kanthimathinathan	2,00,129	0.96	2,00,129	0.65
7.	B.Janarthanan Kanthimathinathan	1,93,985	0.93	1,93,985	0.63
8.	Jayanand Govindaraj	1,50,000	0.72	1,50,000	0.49
9.	Power Ventures Holdings (India) Pvt. Ltd.,	1,31,988	0.63	1,31,988	0.43
10.	K. Satish	1,28,700	0.62	1,28,700	0.42

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.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2014)		Shareholding at the end of the year (31.03.2015)	
		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	0.38%	79,755	0.26%
2.	Mr Raj H Eswaran – Managing Director	2,90,100	1.39%	2,90,100	0.94%
3.	Dr William Stanley Jones - Director	2,958	0.01%	2,958	0.01%
4..	Mr Rakesh Garg – Director	2,958	0.01%	2,958	0.01%
5.	Mr P Chandrasekaran, CFO – KMP	-	-	-	-
6.	Mr Praveen Hegde, Company Secretary-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	17,682.30	7,156.85	-	24,839.15
ii) Interest due but not paid	219.13	-	-	219.13
iii) Interest accrued but not due	42.35	-	-	42.35
Total (i+ii+iii)	17,943.78	7,156.85		25,100.63
Change in Indebtedness during the financial year				
• Addition	81.94	2980.62	-	3,062.56
• Reduction	-	-	-	-
Net Change	81.94	2,980.62	-	3,062.56
Indebtedness at the end of the financial year				
i) Principal Amount	17,778.48	4176.23	-	21,954.71
ii) Interest due but not paid	82.84	-	-	82.84
iii) Interest accrued but not due	164.40	-	-	164.40
Total (i+ii+iii)	18,025.72	4,176.23	-	22,038.07

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 (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profit in lieu of salary u/s 17(3) of Income Tax At, 1961	48.00 Nil Nil	48.00 Nil Nil
2.	Stock option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profits - others	Nil	Nil
5.	Others	Nil	Nil
	Total	48.00	48.00
	Ceiling as per the Act	-	60 Lacs as per Schedule V

B. Remuneration to other Directors:

Name of the Directors	Particulars of Remuneration			Total Amount
	Fee for attending board / committee meetings (*)	Commission	Others	
1. Independent Directors				
Dr William Stanely Jones	50,000.00	-	-	50,000.00
Mr Rakesh Garg	55,000.00	-	-	55,000.00
Mr M Raman	5,000.00	-	-	5,000.00
Total (1)	1,10,000.00			
2. Other Non-Executive Directors				
Mr Hari Eswaran	45,000.00	-	-	45,000.00
Mr JDN Sharma	20,000.00	-	-	20,000.00
Total (2)	65,000.00	-	-	65,000.00
Total (B) = (1)+(2)	1,75,000.00	-	-	
Total Managerial Remuneration (**)	-	Nil	Nil	Nil

(*) *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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr P Chandrasekaran, CFO	Mr Praveen Hegde, Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	31.32 Lacs	2.49 Lacs*	33.81 Lacs
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	5.45 Lacs	-	5.45 Lacs
	(c) Profit in lieu of salary u/s 17(3) of Income Tax At, 1961	1.23 Lacs	-	1.23 Lacs
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	38.00 Lacs	2.49 Lacs*	40.49 Lacs

* Mr. Praveen Hegde joined as Company Secretary w.e.f 26th September 2014

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2015.

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

Annexure – G to the Directors’ Report for the year ended 31st March, 2015
Management replies on the Qualifications made by
Statutory Auditor’s & Secretarial Auditor

(a) Management replies on the Qualifications made by Statutory Auditor’s;

- i) Note No. 31 to the financial statement 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: The company recognized the cost and revenue in respect supplies and installation activities at turn key projects at actual basis only, based on the running accounts bills accepted by the customers. The customers are approving the running accounts bills based on the completion of works at all level including technical nature.

- ii) Note No. 47 to the financial statement in respect of value of inventory pertaining to the ‘Metering Business’ amounting to Rs.215.41 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.

Management Reply: The metering business stocks are still in good & marketable conditions only and company has not find any impairment or significant down in the realizable value. We are in the process of getting the buyers for those stocks, and hence the impact will be taken in to account on actual sales.

(b) Management replies on the Qualifications made by Secretarial Auditor;

Secretarial Auditor qualified that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except appointment of Women Director as required under the proviso to Section 149 (1).

Management Reply: Company Management is putting incessant effort to appoint right person in the Board as Woman Director. We hereby undertake to make good the default by appointing Woman Director in the Board as early as possible.

On Behalf of the Board of Directors

Hari Eswaran
Chairman
(DIN No.00196760)

Place : Chennai
Date : 29th May 2015

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 2015, 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 controls 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 to the financial statement 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.
- b) Note No. 47 to the financial statement in respect of value of inventory pertaining to the 'Metering Business' amounting to Rs.215.41 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.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 2015; 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:

- a) Note No. 35 to the financial statement with regard to Liquidated Damages recovered by the customers of Turnkey projects from running bills amounting to Rs.1191.69 lakhs, is under negotiations with customers seeking waiver of the same. Pending the outcome of the same the Liquidated Damages so levied have not been provided for.
- b) Note No. 36 to the financial statements 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.117.03 lakhs due for more than 1 year.
- c) Note No. 48 to the financial statement in respect of certain turnkey projects which have been terminated by the customers resulting in encashment of bank guarantees given by the company amounting to Rs.526.95 lakhs (Net) has been shown recoverable from parties in

respect of which negotiations with the customers are stated to be in progress. Pending the outcome of negotiations no adjustment in the financial statements has been made.

- d) Note No. 49 to the financial statement with regard to balances due from and due by the company towards debtors and creditors including debit balances in creditor accounts and credit balances in debtors accounts, in respect of which confirmations have not been received. Pending receipt of confirmation of balances and consequent reconciliations if any and the resultant impact on the financial statements including the operating results is not ascertainable
- e) Note No. 52 to the financial statements with regard to pending compliance under FEMA Rules in respect of extension of time limit for receipt of material on advance to Associate Enterprise to the extent of Rs.624.19 lakhs.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2015, ('the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in 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
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, 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.
 - e) on the basis of written representations received from the directors as on 31st March 2015 and taken on record by the Board of Directors, there is no disqualification of directors as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) 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:-

- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements in Note No. 29.
- (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses,
- (iii) The amounts required to be transferred to the Investor Education and Protection fund by the Company have been transferred.

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

For R.SUBRAMANIAN AND COMPANY
Chartered Accountants
Firm Regn. No. 004137S

N. Srikrishna
Partner
Membership No. 26575

K. Jayashankar
Partner
Membership No. 14156

Place : Chennai
Date : 29th May, 2015

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, 2015:

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;
2. (a) The Stock of Finished Goods, Stores and Spare Parts and Raw Materials except stock lying with third parties 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. During the year the company granted interest free advances to wholly owned overseas subsidiary outstanding at year end amounting to Rs.2586.05 lakhs other than this the company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 189 of the Act. The terms of advance given are not prima facie prejudicial to the interests of the company. 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 there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
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 account and records maintained by the Company relating to the manufacture of Electrical or Electronic Machinery, pursuant to the Rules made by the Central Government for maintenance of Cost Records under sub-section (1) of Section 148 of the 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, the Company is generally regular in depositing the undisputed statutory dues in respect of Customs Duty. However, there have been instances of delay in deposit of the undisputed statutory dues of Provident Fund, Income-tax including Tax Deducted at Source, Sales-tax (Value Added Tax and Central Sales Tax), Service Tax, Excise Duty and other material statutory dues with appropriate authorities during the year.
- (b) 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.92.39 lakhs, Professional Tax of Rs.2.17 lakhs, Income Tax of Rs.59.15 lakhs (requested the 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.
- (c) 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	Assessment year to which the matter pertains	Forum where the matter is pending	Rs. in Lakhs
Income Tax	2003-04	Tribunal (Appeals)	* 47.85
Income Tax	2004-05	Tribunal (Appeals)	* 26.13
Income Tax	2006-07	CIT (Appeals)	# 55.42
Income Tax	2008-09	CIT (Appeals)	* 306.33
Income Tax	2009-10	CIT (Appeals)	@ 524.99
Income Tax	2010-11	CIT (Appeals)	@ 178.18
Sales Tax, Karnataka	2007-08	VAT (Appeals)	** 63.65
Sales Tax, Karnataka	2008-09	VAT (Appeals)	# 41.78
Sales Tax, West Bengal	2009-10	VAT (Appeals)	@ 6.18
Customs Duty	2011-12	CESTAT	# 66.38

Sales Tax, Tamilnadu	2006-07	-	&37.98
Sales Tax, Tamilnadu	2007-08	-	@ 8.38
Sales Tax, Tamilnadu	2008-09	-	@ 29.63
Sales Tax, Tamilnadu	2009-10	-	@ 30.44
Sales Tax, Tamilnadu	2010-11	-	@ 144.43
Sales Tax, Tamilnadu	2011-12	-	@ 337.06
Enforcement Sales Tax, TN	2010-11	VAT (Appeals)	^ 11.97
Enforcement Sales Tax, TN	2011-12	VAT (Appeals)	^ 17.69

paid

* adjusted against refund

** Rs.32 lakhs Paid and Balance covered under Bank Guarantee

@ unpaid

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

^ 25% appeal deposit paid

- (d) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund.
8. The Company has accumulated loss of Rs.5161.62 Lakhs at the end of financial year which is not less than 50% of its net worth. It has incurred cash loss during the financial year covered by our audit and also in the immediately preceding financial year.
 9. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders except for a delay of upto 30 days in repayment of term loan installment to banks during the year
 10. The Company has not given guarantees for loans taken by others from banks or financial institutions.

11. The Company has not availed Term loan during the year. Hence the above clause is not applicable to the company.
12. 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.

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

For R.SUBRAMANIAN AND COMPANY
Chartered Accountants
Firm Regn. No. 004137S

N. Srikrishna
Partner
Membership No. 26575

K. Jayashankar
Partner
Membership No. 14156

Place : Chennai

Date : 29th May, 2015

Balance Sheet as at 31st March, 2015

		Rs Lacs	
Particulars	Note No.	As at 31 st March 2015	As at 31 st March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	615.88	416.14
(b) Reserves and surplus	3	19,535.23	18,246.35
		<u>20,151.11</u>	<u>18,662.49</u>
(2) Non-current liabilities			
(a) Long-term borrowings	4	5,113.73	10,166.52
(b) Deferred tax liabilities (Net)	5	-	429.77
(c) Long-term provisions	6	130.72	124.43
		<u>5,244.45</u>	<u>10,720.72</u>
(3) Current liabilities			
(a) Short-term borrowings	7	12,932.42	11,089.19
(b) Trade payables	8	19,656.73	17,624.32
(c) Other current liabilities	9	7,047.28	6,912.92
(d) Short-term provisions	10	137.32	157.34
		<u>39,773.75</u>	<u>35,783.77</u>
	Total	<u>65,169.31</u>	<u>65,166.98</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		8,198.53	8,993.26
(ii) Intangible assets		467.96	537.35
		<u>8,666.49</u>	<u>9,530.61</u>
(b) Non-current investments	12	15,502.10	15,502.10
(c) Long-term loans and advances	13	3,642.62	3,240.36
(d) Other Non current assets	14	116.75	388.05
		<u>27,927.96</u>	<u>28,661.12</u>
(2) Current assets			
(a) Inventories	15	3,842.49	4,420.72
(b) Trade receivables	16	28,428.41	27,561.01
(c) Cash and Bank Balances	17	1,505.29	1,847.53
(d) Short-term loans and advances	18	3,394.64	2,577.51
(e) Other current assets	19	70.52	99.09
		<u>37,241.35</u>	<u>36,505.86</u>
	Total	<u>65,169.31</u>	<u>65,166.98</u>

Significant Accounting Policies

1

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

Per our Report of even date annexed		For and on behalf of Board of Directors	
For BRAHMAYYA & CO. Chartered Accountants Firm Regn No : 000511S	For R SUBRAMANIAN & CO. Chartered Accountants Firm Regn No : 004137S	Raj H Eswaran Managing Director Din 00195354	Rakesh Garg Director Din 00240379
N Sri Krishna Partner Membership No: 26575	K Jayashankar Partner Membership No: 014156	P Chandrasekaran Chief Financial Officer	Praveen Hedge Company Secretary

Place : Chennai

Date : 29th May 2015

Statement of Profit and Loss for the year ended 31st March, 2015

		Rs Lacs	
Particulars	Note No.	Year ended 31 st March 2015	Year ended 31 st March 2014
1 Revenue from operations	20	6,241.42	18,217.72
2 Other income	21	696.33	216.07
3 Total Revenue (1+2)		6,937.75	18,433.79
4 Expenses			
(1) Cost of Materials Consumed	22	4,161.96	12,565.02
(2) Change in Inventory	23	(98.88)	465.92
(3) Employee benefits expense	24	1,675.80	2,347.88
(4) Finance costs	25	2,599.27	2,749.26
(5) Depreciation and amortization expense		734.42	801.81
(6) Other expenses	26	1,423.62	2,345.26
Total expenses		10,496.19	21,275.15
5 Profit before exceptional and extraordinary items and tax (3-4)		(3,558.44)	(2841.36)
6 Exceptional items		600.72	369.04
7 Profit before extraordinary items and tax (5-6)		(4,159.16)	(3,210.40)
8 Extraordinary Items		-	-
9 Profit before tax (7- 8)		(4,159.16)	(3,210.40)
10 Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(429.77)	-
(3) MAT Credit Availment		-	-
11 Profit after tax for the year from continuing operations (9-10)		(3,729.39)	(3,210.40)
12 Earnings per equity share (in Rs)			
1. Basic (Face Value Rs.2 each fully paid up)		(12.66)	(15.43)
2. Diluted (Face Value Rs.2 each fully paid up)		(12.66)	(15.43)

Significant Accounting Policies

1

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

Per our Report of even date annexed

For and on behalf of Board of Directors

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

For R SUBRAMANIAN & CO.
Chartered Accountants
Firm Regn No : 004137S

Raj H Eswaran
Managing Director
Din 00195354

Rakesh Garg
Director
Din 00240379

N Sri Krishna
Partner
Membership No: 26575

K Jayashankar
Partner
Membership No: 014156

P Chandrasekaran
Chief Financial Officer

Praveen Hedge
Company Secretary

Place : Chennai
Date : 29th May 2015

Cash flow statement for the year ended 31st March, 2015

Pursuant to Clause 32 of the Listing Agreement

Rs Lacs

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
A Cash flow from operating activities:		
Net profit before tax and extraordinary items	(4,159.16)	(3,210.40)
Adjusted for:		
Depreciation	734.42	801.81
(Profit)/Loss on Sale of Assets	-	(1.39)
Interest Expense	2,599.27	2,749.26
Interest Income	(155.63)	(195.80)
Unrealized Forex fluctuations in Drs and Crs	(391.78)	(123.47)
Operating profit before Working Capital changes	(1,372.88)	20.01
Trade and other receivables	(867.40)	(2,763.41)
Inventories	578.23	1,286.98
Short term Loans and Advances	(744.37)	27.85
Trade Payables and other Current Liabilities	2,153.06	2,916.65
Cash generated from operations	(253.36)	1,488.08
Direct Taxes	(44.20)	(84.11)
Net cash from operating activities	(297.56)	1,403.97
B. Cash flow from Investing activities:		
Purchase of Fixed Assets	(393.61)	(325.60)
(Increase) / Decrease in capital work in progress	-	-
Interest received	155.63	195.80
Long term Loans and Advances	(130.97)	(1,415.35)
Margin Money Accounts and Deposits	629.41	8.19
Sale of Fixed Assets	-	3.14
Net cash from Investing activities	260.46	(1,533.82)
C. Cash flow from financing activities:		
Rights Issue	5,861.79	-
Increase / (Decrease) in Term Loans	(5052.79)	1641.00
Increase / (Decrease) in Short term borrowings	1,843.24	1,243.11
Dividend paid	-	-
Interest paid	(2,599.27)	(2,749.23)
Net Cash from financing activities	52.97	134.88
Increase / (Decrease) in cash and cash equivalent	15.87	5.03
Cash and cash equivalent at the beginning of the year	84.90	79.87
Cash and cash equivalent at the close of the year	100.77	84.90
Reconciliation of Cash and Cash Equivalents		
Cash and Bank Balances as per Balance Sheet	1,505.29	1,847.53
Less: Margin Money Accounts considered as Investing Activity	803.03	740.03
Less: Fixed Deposits in Bank accounts considered in Investing Activity	576.92	992.97
Less: Unpaid Dividend Accounts	24.57	29.63
Cash and Cash Equivalents as per Cash Flow Statement	100.77	84.90

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.

Per our Report of even date annexed

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

For R SUBRAMANIAN & CO.
Chartered Accountants
Firm Regn No : 004137S

N Sri Krishna
Partner
Membership No: 26575

K Jayashankar
Partner
Membership No: 014156

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
Din 00195354

Rakesh Garg
Director
Din 00240379

P Chandrasekaran
Chief Financial Officer

Praveen Hedge
Company Secretary

Place : Chennai
Date : 29th May 2015

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.

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 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.

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 capitalized at gross value and interest thereon is charged to revenue.

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

Borrowing costs directly attributable to the acquisition, construction and production of qualifying assets are capitalized till the month in which the asset is ready for its intended use. Other borrowing costs are recognized 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 therein, and reckoning the residual value @5% of the original cost of the assets.

Intangible assets - product development is depreciated at 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. Amortizations 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 recognized in full in the profit and loss account. The retirement benefit obligation recognized 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 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.

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 recognised 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.

2. Share Capital

Rs Lacs

Particulars	As at 31 st March 2015	As at 31 st March 2014
<u>Authorised Share Capital:</u>		
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
<u>Issued Share Capital:</u>		
3,07,94,991 (2,08,07,864) Equity Shares of Rs.2 each	615.90	416.16
<u>Subscribed and Paid up Capital:</u>		
3,07,94,141 (2,08,07,014) Equity Shares of Rs.2 each fully paid up	615.88	416.14
Total	615.88	416.14

2.1 Reconciliation of number of shares

Particulars	As at 31 st March 2015		As at 31 st March 2014	
	No. of Shares held	Amount	No. of Shares held	Amount
Balance at the beginning of the year	20,807,014	416.14	20,807,014	416.14
Add: shares issued during the year	9,987,127	199.74	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the year	30,794,141	615.88	20,807,014	416.14

2.2 Rights, preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a par value of Rs 2. per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

2.3 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 2015		As at 31 st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sowraj Investments Pvt Ltd	5,409,954	17.57%	1,458,060	7.01%
Easun Products of India Pvt Ltd	3,367,557	10.94%	2,267,557	10.90%
Easun Engineering Company Ltd	1,632,500	5.30%	1,632,500	7.85%
Sundaram Mutual Fund A/C Sundaram Smile Fund	1,230,942	4.00%	1,230,942	5.92%
IDFC Premier Equity Fund	-	-	1,839,527	8.84%

3. Reserves and Surplus

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
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	9,843.72	9,843.72
Add: Premium on Rights Issue	5,692.66	-
Less: Expenses for Rights Issue	30.61	-
Closing Balance	15,505.77	9,843.72
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	(727.95)	(721.00)
Add: Exchange Loss capitalized during the year	982.84	(375.99)
Less: Amortization during the year	600.72	369.04
Closing Balance	(1,110.07)	(727.95)
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	1,170.57	2,039.85
Add: Retained Earning - Depreciation	261.66	-
Add: Profit for the year	(3,729.39)	(3,210.42)
Less: Proposed dividend	-	-
Less: Tax on Proposed dividend	-	-
Less: Transfer to General Reserve	-	-
	(5,161.62)	(1,170.57)
Total	19,535.23	18,246.35

4. Long Term Borrowings

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
Secured Loans		
Foreign Currency Term loans From Banks		
Standard Chartered Bank - ECB (Refer 4.1(i))	(0.00)	1,497.50
DBS Bank - ECB (Refer 4.1(i))	937.50	1,354.73
External Commercial Borrowings (Refer 4.1(i))	937.50	2,852.23
Rupee Term Loans From Bank		
Axis Bank (Refer 4.1(i))	-	157.44
Total (A)	937.50	3,009.67
Unsecured Loans		
Sales Tax Deferral Scheme (Refer 9.1)	-	-
Intercorporate Deposits (Refer 4.3)	4,176.23	7,156.85
Total (B)	4,176.23	7,156.85
Total (A+B)	5,113.73	10,166.52

4.1 Security Clause

i) Term Loans

Rs Lacs

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

- ii) **Hire Purchase Loans:** Loans taken under hire purchase arrangements are secured against hypothecation of specific assets.

4.2 The details of Long Term Borrowings are as follows

Particulars	Repayment Start Date	O/s Amt as on 31st March 2015	Current Maturities	Interest Rate	Instalment Amount
Rupee Term Loans					
Axis Bank Ltd- (Repayable in 8 Quarterly instalments) External Commercial Borrowings (Fully Un-Hedged)	Feb-12	158.56	158.56	13.25%	31.71
Standard Chartered Bank Ltd (Repayable in 3 Half yearly Instalments) * (USD - 6.25 million) # @ External Commercial Borrowings (Fully Un-Hedged)	Aug-12	2,343.75	2,343.75	4.35%	1,171.88
DBS Bank Ltd (Repayable in 5 Half yearly Instalments) (USD - 5.25 million) # @	Aug-12	2,343.75	1,406.25	11.60%	703.13
Total		4,846.06	3,908.56		1,906.72

* Amount varies as per the exchange rate on the date of repayment # O/s as on 31.03.2015
@ Delay in repayment of instalment which has been paid after 31st March 2015.

5. Deferred Tax Liabilities

Particulars	As at 31 st March, 2015	As at 31 st March 2014
Deferred Tax Liabilities (DTL)		
- On account of Timing differences related to Fixed Assets	620.89	517.37
Deferred Tax Assets (DTA)		
- Disallowances under Income Tax Act 1961	(5.99)	87.60
- Unabsorbed business loss	(4,436.43)	-
DTA Restricted to DTL	(620.89)	-
Total	-	429.77

As prudent measure, DTA has been recognised only to the extent of DTL

6. Long-term provisions

Rs Lacs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Provision for employee benefits		
- Leave Encashment	54.30	59.56
- Gratuity	76.42	64.87
Total	130.72	124.43

7. Short-term borrowings

Particulars	As at 31 st March 2015	As at 31 st March 2014
Secured		
From Banks		
- Cash Credits facilities availed	12,932.42	10,729.82
- Buyers credit	-	359.37
Total	12,932.42	11,089.19

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. Collatral Security

Bank	Properties	
	Hosur Factory: Land, Building and Plant & Machinery	Industrial Land amd 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 paripassu basis among Axis Bank, DBS Bank, Standard Chartered Bank and Canara Bank.

by way of primary security

8. Trade Payables

Particulars	As at 31 st March 2015	As at 31 st March 2014
Micro, Small and Medium Enterprises (Refer 8.1)	131.93	162.07
Other Enterprises	18,878.37	16,798.16
Related Parties	646.43	664.09
Total	19,656.73	17,624.32

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 2015 are furnished below

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
Principal Amount Due to Suppliers	131.93	162.07
Interest Accrued and due to the suppliers under MSMED Act, on the above amount	41.66	29.22
Payment made to suppliers (other than interest) beyond the appointed date	70.13	270.35
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payments already made	6.44	24.59
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	48.10	53.81

9. Other Current Liabilities

Particulars	As at 31 st March 2015	As at 31 st March 2014
A. Secured		
Current Maturities of Long Term Debt:		
(a) Foreign Currency Term loans from Banks		
Standard Chartered - ECB (Refer 4.1(i))	2,343.75	2,246.25
DBS Bank - ECB (Refer 4.1(i))	1,406.25	1,016.05
(b) Rupee Term Loans from Banks		
Axis Bank (Refer 4.1(i))	158.56	158.32
Standard Chartered Bank	-	160.00
(c) Current Maturities of Hire Purchase Loans (Refer 4.1(ii))	-	2.84
Total -A	3,908.56	3,583.46
B. Unsecured		
Sales Tax Deferral Scheme (Refer 9.1)	69.45	72.45
Interest Accrued and not due on borrowings	82.84	42.35
Interest Accrued and due on borrowings	164.40	219.13
Other Payables		
Employee Related	317.50	162.26
Advances from Customers	1,855.64	2,153.45
Unpaid Dividend Payable	24.57	29.60
Statutory Dues Payable	624.32	650.22
Total -B	3,138.72	3,329.46
Total (A+B)	7,047.28	6,912.92

- 9.1 The company has been sanctioned to avail interest free sales tax deferral scheme for an aggregate amount of Rs.69.45 lakhs by the department of Sales tax, Government of Tamilnadu. The underlying deferred sales tax payable by the company from the financial year commencing from 2013-14.(which is not paid and interest @24% p.a on the same is provided in the books.

10. Short-term provisions

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
Provision for Employee Benefits		
Leave Encashment	6.96	8.60
Other Provisions		
Warranty Claim Reserve (refer 10.1)	130.36	148.74
Dividend Payable	-	-
Total	137.32	157.34

10.1 Warranty Claim Reserve

	As at 31 st March 2015	As at 31 st March 2014
At the beginning of the year	148.74	170.79
Created during the year	-	-
Utilised during the year	18.38	22.05
At the end of the year	130.36	148.74

Notes to the Financial Statements

11. Fixed Assets

Rs Lacs

Particulars	Gross Block			Depreciation			Net Block		
	As at 1-Apr-14	Additions	Deductions	As at 31-Mar-15	For the year	Retained Earnings	Deletion	As at 31-Mar-15	As at 31-Mar-14
(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			4,209.77	463.31			3,614.61	3,746.45
Buildings - Leasehold	5.26			5.26	2.16			595.16	2.76
Plant and Machinery	3,382.33	14.64		3,396.97	572.66	5.95		797.30	2,599.67
Electrical installation	588.85	22.03		610.88	285.37	39.30		324.67	286.20
Office equipments	511.17			511.17	371.74	22.05		438.73	72.44
Furniture	590.03			590.03	271.23	68.08		340.11	249.92
Vehicles	106.27			106.27	85.16	2.82		87.98	21.11
Computers	841.92			841.92	590.10	40.68		836.83	5.09
						206.05			-
Research And Development									
Buildings	173.23			173.23	50.09			55.43	-
Plant and Machinery	445.94			445.94	177.50	2.78		220.53	123.14
Electrical installation/ Fittings	27.01			27.01	26.18	0.08		26.48	0.53
Office equipments	88.64			88.64	87.53	0.92		88.45	0.18
Computers	1.88			1.88	1.58			1.84	0.04
Total	11,977.88	36.67	-	12,014.55	2,984.61	569.74	-	3,816.01	8,198.53
Total	11,977.88	36.67	-	12,014.55	2,984.61	569.74	-	3,816.01	8,198.53
Previous Year									
	11,856.92	160.36	39.41	11,977.87	2,405.72	-	37.66	2,984.61	8,993.26
(b) Intangible									
Technology Know-how	550.44			550.44	-			550.44	0.00
Non-compete fees	100.00			100.00				100.00	-
Intangible Asset - Product devel	1,170.31	95.29		1,265.59	164.69			797.87	537.13
Computer Software	11.69			11.69	11.47			11.47	0.22
Total	1,832.43	95.29	-	1,927.72	1,295.09	-	-	1,459.78	537.35
Previous Year	1,667.19	165.24	-	1,832.43	1,109.83	-	-	1,295.09	537.35
Grand Total	13,810.31	131.95	-	13,942.27	4,279.69	261.66	-	5,275.79	9,530.61
Previous Year	13,524.11	325.60	(39.41)	13,810.30	3,515.55	801.81	37.66	4,279.70	10,008.56

12. Non-current investments

Rs Lacs

Particulars	No. of Shares	As at 31 st March 2015	As at 31 st March 2014
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 (Refer Note a)	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
Aggregate amount of : quoted investments : market value		-	-
Aggregate amount of unquoted investments		15,502.10	15,502.10

13. Long-term loans and advances

Particulars	As at 31 st March 2015	As at 31 st March 2014
Unsecured, Considered Good unless otherwise stated		
Capital Advances	200.72	472.89
Security Deposits and Earnest Money Deposits	199.85	212.17
Loans and advances to related parties	2,586.05	1,937.57
Testing Charges to be amortized	5.16	11.09
Income Tax & TDS (Net)	650.84	606.64
Total	3,642.62	3,240.36

14. Other non-current assets

Particulars	As at 31 st March 2015	As at 31 st March 2014
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	116.75	388.05
Total	116.75	388.05

15. Inventory

Particulars	As at 31 st March 2015	As at 31 st March 2014
(Lower of Cost and estimated Net Realisable Value)		
Raw Materials and Components	2,430.18	2,484.54
Work In Progress	432.74	294.24
Finished Goods	405.09	444.71
Packing Materials	5.30	4.91
Stock in Transit - Raw Materials & Components	569.18	1,174.40
Stores and Spares	-	17.92
Total	3,842.49	4,420.72

16. Trade Receivables

Particulars	As at 31 st March 2015	As at 31 st March 2014
Unsecured, Considered Good unless otherwise stated		
Outstanding for a period exceeding six months	18,676.21	11,771.04
Other Receivables	8,487.97	14,985.95
Related Parties		
Outstanding for a period exceeding six months	785.36	348.05
Other Receivables	478.87	455.97
Total	28,428.41	27,561.01

17. Cash and Bank Balances

Particulars	As at 31 st March 2015	As at 31 st March 2014
Cash and cash equivalents		
Cash on Hand	98.60	46.34
Balances with banks in Current Accounts	2.17	38.55
Balances in Earmarked Accounts		
Unpaid Dividend Accounts	24.57	29.63
Other Bank Balances*		
Bank Deposits		
Bank Deposits with maturity less than 3 months	567.00	425.97
Bank Deposits with maturity more than 3 months but less than 12 months	9.92	567.00
Bank Deposits with maturity more than 12 months	-	38.80
Margin Money Deposits		
Margin Money Deposits maturing after 12 months	116.75	349.26
Margin Money Deposits maturing within 12 months	803.03	740.03
Less: Term Deposits maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current	116.75	388.05
Total	1,505.29	1,847.53

* Under lien with DBS Bank and Standard Chartered Bank

18. Short-term loans and advances

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Advance to suppliers	885.16	774.54
(b) Advance to Related Parties	795.55	463.92
(c) Advance to Employees	51.52	39.90
(d) Rental Advance	18.28	65.87
(e) Prepaid Expenses	143.80	186.47
(f) Other Receivables	703.69	335.67
(g) Statutory Receivables (Input Credits)	796.64	711.14
Total	3,394.64	2,577.51

19. Other current assets

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Interest Accrued on Short term deposit	-	30.96
(b) Interest Accrued on Bank Guarantee Margin	70.52	68.13
Total	70.52	99.09

20. Revenue from Operations

Rs Lacs

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Sale of products (Refer 20.1)	6,265.30	18,715.34
Sale of services	253.76	450.31
Other operating revenues	10.98	64.22
	<u>6,530.04</u>	<u>19,229.87</u>
Less: Excise duty	288.62	1,012.15
Total	6,241.42	18,217.72

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

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Relays and Control Panels	3,392.51	6,562.69
Substation Automation Solution	-	50.87
Ring Main Units (RMU)	461.86	-
Switchgear	41.17	1,079.68
Projects	2,081.12	10,009.95
Add : Excise Duty	288.64	1,012.15
Total	6,265.30	18,715.34

21. Other Income

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Interest Income	155.63	195.80
Profit on Sale of Fixed Assets	-	1.39
Trade Incentives	6.35	16.49
Miscellaneous Income	534.35	2.39
Total	696.33	216.07

22. Cost of Material Consumed

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Opening Stock		
Raw Materials and Components	2,484.54	3,140.73
Add: Purchases	4,107.60	11,908.83
	<u>6,592.14</u>	<u>15,049.56</u>
Less: Closing Stock		
Raw Materials and Components	2,430.18	2,484.54
Total	4,161.96	12,565.02

23. Change in Work in Progress and Finished Goods

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Opening Stock		
Finished Goods	444.71	917.59
Work in Progress	294.24	287.28
(A)	<u>738.95</u>	<u>1,204.87</u>
Less: Closing Stock		
Finished Goods	405.09	444.71
Work in Progress	432.74	294.24
(B)	<u>837.83</u>	<u>738.95</u>
Total (A-B)	(98.98)	465.92

24. Employee Benefits Expense

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Salaries and Wages	1,441.23	2006.28
Contribution to provident and Other funds	96.34	116.20
Staff Welfare Expenses	138.23	225.40
Total	1675.80	2,347.88

25. Finance Costs

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Interest		
Term Loans	171.65	616.13
Buyers Credit and Others	181.95	323.73
Working Capital Loans	1751.17	1572.71
Other borrowing costs	494.50	236.69
Total	2,599.27	2,749.26

26. Other Expenses

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Consumption of Stores and Spares	53.78	131.80
Power & Fuel	78.79	85.51
Rent	94.48	131.68
Repairs to : Buildings	3.43	7.95
: Machinery	1.56	4.50
: Others	149.32	203.51
Insurance	30.69	57.73
Rates and taxes, excluding, taxes on income	68.09	178.48
Travel and Conveyance Expenses	183.87	438.16
Postage, Telephone and Telegram	36.02	65.18
Selling Expenses	30.77	64.54
Audit Fees : Audit	3.00	3.00
: For other services	6.00	6.00
: Out of Pocket Expenses	1.65	3.41
Professional Charges	21.46	84.82
Electricity Charges	4.35	22.87
Security Charges	54.77	66.84
Advertisement Expenses	3.26	45.12
Printing & Stationery	16.80	28.10
Bank Charges	340.71	393.49
Tools Written off	17.74	8.21
Service Charges	3.33	10.47
Foreign Exchange Loss	132.67	42.91
Vehicle Hire Charges	22.23	100.38
Testing Charges	9.23	24.18
Trade Charges	25.74	89.78
Listing Fees	3.34	4.43
Water Charges	7.40	8.93
Recruitment expenses	4.75	1.43
Other expenses	14.39	31.85
Total	1,423.62	2345.26

27. Gratuity and Leave 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 Lacs

Particulars	Leave Encashment		Gratuity	
	2014-15	2013-14	2014-15	2013-14
1. Assumptions				
Interest rate	8.00%	9.12%	8.00%	8.00%
Salary Escalation	5.00%	5.00%	8.00%	7.00%
2. Change in benefit obligations				
Obligations at period beginning - Current	8.60	8.17	-	-
Obligations at period beginning - Non-current	59.56	67.40	341.65	346.96
Interest on Defined benefit obligation	4.70	6.89	22.47	27.76
Service Cost	4.31	7.35	16.82	25.63
Benefits settled	(18.87)	-	(44.73)	(26.32)
Actuarial (gain)/loss	2.97	(21.66)	13.86	(93.21)
Obligations at period end	61.27	68.16	350.07	280.82
Current Liability (within 12 months)	6.96	8.60	-	-
Non Current Liability	54.30	59.56	76.42	-
3. Change in plan assets				
Plans assets at period beginning, at fair value	-	-	288.83	339.19
Expected return on plan assets	-	-	29.38	28.77
Actuarial gain/(loss)	-	-	-	-
Contributions	-	-	-	15.59
Benefits settled	-	-	(44.67)	(26.32)
Plans assets at period end, at fair value	-	-	273.65	341.65
Funded Status				
Fair value of plan assets at the end of the year	-	-	273.65	341.65
Present value of defined benefit obligations	61.27	68.16	350.07	280.82
Liability recognized in the balance sheet	(61.27)	(68.16)	(76.42)	(60.83)
4. Table showing fair value of plan assets				
Fair value of plan assets at beginning of year			341.65	339.19
Actual return on plan assets			29.38	28.77
Contributions			0.94	-
Benefits Paid			(44.73)	(26.32)
Fair value of plan assets at the end of year			327.24	341.65
Funded status			38.01	60.83
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	
	2014-15	2013-14	2014-15	2013-14
5. Actuarial Gain/Loss recognized				
Actuarial (gain)/ loss on obligations			13.86	93.21
Actuarial (gain)/ loss for the year - plan assets			Nil	Nil
Total (gain)/ loss for the year			13.86	93.21
Actuarial (gain)/ loss recognized in the year			13.86	93.21
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			289.24	280.82
Fair value of plan assets as at the end of the year			327.24	341.65
Funded status	61.27	68.16	272.36	60.83
Net asset/(liability) recognized in balance sheet	(61.27)	(68.16)	(76.42)	60.83
7. Expenses recognised in the Profit & Loss				
Account for the year ended				
Interest on Defined benefit obligation	4.31	7.35	16.82	25.63
Service Cost	4.70	6.89	22.47	27.76
Expected return on plan assets	-	-	(29.38)	(28.77)
Actuarial (gain)/loss	2.97	(21.66)	13.86	(93.21)
Expenses recognised in the Profit & Loss Account	11.97	(7.42)	23.76	(68.60)

28. Disclosure of AS 18 for the Year 2014-15

a) Details of transactions during year 2014-15

Sl No	Particulars	Sowraj Investments Pvt. Ltd.,	Easun Products of India Pvt. Ltd	Key Mgt Personnel	ERL International Pte Ltd	ERL Pacific (EDS)	ERLPhase Power Technologies Ltd	Switchcraft Ltd	Switchcraft GMBH	ERL Marketing Intl. FZE	Grand Total
1	Sale of Goods		-				-		76.50	682.50	759.00
			-				-		(0.73)	(599.43)	(600.16)
2	Purchase of Goods						139.90	-	10.34	6.67	156.91
							(592.19)	-	(26.08)		(618.27)
3	Rendering of Services				3.09		312.48			-	315.57
	Reimbursement of Expenses				-		-			-	-
	Un-Secured Loan				330.76						330.76
					(1,152.47)						(1,152.47)
	Interest on Loan advanced										-
											-
4	Availing of Services										-
	Reimbursement of Expenses								-	(33.02)	(33.02)
									-		-
	Loan borrowed	(1,840.00)	(3,662.50)								(5,502.50)
	Loan repayment	2,331.62	649.00								2,980.62
			(2,475.41)								(2,475.41)
	Interest on Loan borrowed										-
											-
5	Advance against Purchase					20.42					20.42
6	Directors remuneration			48.00							48.00
				(48.00)							(48.00)

b) Details of outstandings in respect of Related Parties

Rs Lacs

S.No.	Names of Related Parties	Outstanding as on 31/03/2015	Maximum Amount due during the year	Outstanding as on 31/03/2014	Maximum Amount due during the year
1	Easun Products of India P Ltd	1,314.34 Cr.	1,944.70 Cr.	1,944.16 Cr.	2,746.20 Cr.
2	Sowraj Investment P Ltd	2,861.88 Cr.	5,193.50 Cr.	5,193.50 Cr.	5,193.50 Cr.
3	ERL Phase Power Technologies Ltd	41.42 Cr.	337.98 Cr.	366.25 Cr.	379.28 Cr.
4	ERL International Pte Ltd	2,109.60 Dr.	2,109.60 Dr.	1,755.90 Dr.	1,844.02 Dr.
5	ERL Marketing International FZE	1247.06 Dr.	1,101.40 Dr.	637.13 Dr.	701.81 Dr.
6	ERL Thailand P. Ltd	NIL.	NIL	NIL	NIL
7	Switchcraft Ltd	NIL.	NIL.	NIL.	NIL
8	Switchcraft Gmbh	795.55 Dr.	762.50 Dr.	416.45 Dr.	564.19 Dr.
9	ERL Pacific (EDS	20.42 Dr.	20.42 Dr.	NIL	NIL
10	Easun MR Tapchangers P Ltd	2.25 Dr.	2.25 Dr.	NIL.	NIL
11	Directors :				
12	Hari Eswaran	28.75 Cr.	28.75 Cr.	24.57 Cr.	24.57 Cr.
13	Raj H Eswaran	39.66 Cr.	39.66 Cr.	25.26 Cr.	25.26 Cr.
14	Dr W S Jones	1.62 Cr.	1.62 Cr.	3.31 Cr.	3.31 Cr.
15	Rakesh Garg	7.15 Cr.	7.15 Cr.	6.80 Cr.	6.80 Cr.
16	J D N Sharma	5.95 Cr.	5.95 Cr.	6.57 Cr.	6.57 Cr.
17	Raman M	0.05 Cr.	0.05 Cr.	-	-

29. Contingent Liabilities and Commitments

A.	Contingent Liabilities	2015	2014
1	Letters of Credit opened by Bank for purchase of raw materials and components	2,111.30	1,321.74
2	Counter Guarantee given to bankers in respect of Guarantees given by them	11,381.66	15,186.60
	Counter Guarantee given to bankers in respect of Standby LC given by them	-	377.13
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	745.60	1,766.93
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 - Paid	306.33	306.33
	2009-10 - Unpaid	525.00	525.00
	2010-11 - Unpaid	178.18	178.18

6	Disputed amount of Sales Tax		
	Karnataka		
	FY 2007-08 Paid	-	63.65
	FY 2008-09 Paid	-	41.78
	FY 2009-10 (Rs.3.00 Paid, Rs.17.62 Unpaid)	20.62	20.62
	Tamil Nadu (Unpaid)		
	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	-
	FY 2010-11	144.43	-
	FY 2011-12	337.06	-
	TN VAT - Enforcement		
	FY 2010-11 (Rs 3.94 Lac Paid)	11.97	-
	FY 2011-12 (Rs 5.09 Lac Paid)	17.69	-
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	115.20	135.63

30. The Company has incurred expenditure aggregating to Rs.95.25 lakhs during the year (Rs.165.249 lakhs) 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, 2015. 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. During the financial year 2012-13 the company has sold land at Jigani for Rs.1800 Lacs based on an agreement to sale and handing over of possession of buyer pending registration of sale deed.

The Company has recognized a profit of Rs.1747.12 Lacs towards such sale. Subsequently no objection from bank has been obtained and the sale deed has been registered.

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.165.24 lakhs (Rs.153.39 lakhs).
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.1191.69 lacs (Rs.1012.27 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 59.50 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. 626.88 lacs (Rs.388.89 lacs) being the outstanding from Foreign Debtors for more than 1 Year. 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.509.85 Lacs 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. Expenditure incurred on account of borrowing costs amounting to Rs.NIL (Rs.NIL) is capitalized towards new projects.
39. 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 2014-15, the Company has written off Rs.600.72 lacs towards loss on foreign exchange and reinstated the liability by Rs.982.84 lacs. Total outstanding as on 31st March, 2015 amounts to Rs.1110.07 lacs which is to be written off in Six quarterly installments.

40 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.94.48 lacs (Rs.131.68 lacs).

41 Valuation of Imports of CIF Basis

Particulars	2015	2014
Components and Spare parts including in transit	428.67	2425.24

42. Expenditure in Foreign Currencies

On account of:	2015	2014
Travelling expenses and others	18.91	35.25

43. Earnings in Foreign Exchange on account of Export on

Rs Lacs

Particulars	2015	2014
FOB Value Basis	844.27	774.01

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

Particulars	2015		2014	
	Value Rs.	% to Total Consumption	Value Rs.	% to Total Consumption
Indigenous	3,260.81	78.35	9,862.71	78.49
Imported	901.15	21.65	2,702.31	21.51
Total	4,161.96	100.00	12,565.02	100.00

45. 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	2015	2014
Profit/(Loss) after tax Rs. Lacs	(3,729.39)	(3,210.42)
Number of Weighted average equity shares		
Basic	29,453,403	20,807,014
Effect of dilutive equity shares equivalent		
Share Warrants Outstanding	-	-
Foreign Currency Convertible Bond	-	-
	29,453,403	20,807,014
Face Value of Shares in Rupees	2.00	2.00
Earnings per share before exceptional items		
Basic in Rupees	(12.08)	(13.66)
Diluted in Rupees	(12.08)	(13.66)
Earnings per share after exceptional items		
Basic in Rupees	(12.66)	(15.43)
Diluted in Rupees	(12.66)	(15.43)

46. Derivative Instruments and Unhedged Foreign Currency Exposure

Forward Contract Outstanding

Particulars	Currency	31-Mar-15	31-Mar-14	Purpose
Buy	USD	0.00	60.00	Hedge of ECB Loan Payable (DBS Bank)

Unhedged Foreign Currency Exposure

Rs Lacs

Particulars	Currency	31-Mar-15	31-Mar-14
"ECB Loan (SCB Bank)"	USD	75.00	62.50

Particulars	Currency	31-Mar-15	31-Mar-14
Payable	AUD	0.52	0.29
Payable	EURO	0.00	0.00
Payable	CHF	0.00	0.00
Payable	GBP	0.43	0.28
Payable	USD	22.58	25.12
Receivable	THB	23.39	0.00
Receivable	AUD	0.00	0.24
Receivable	EURO	12.87	0.00
Receivable	GBP	10.08	0.08
Receivable	USD	15.61	17.98

47. The value of inventory pertaining to the “Metering Business” amounting to 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.
48. 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.526.95 lacs (net) 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.
49. 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.
50. The company is engaged in power transmission and distribution segment and the same is being reported
51. Pursuant to the notification of schedule II of the companies act,2013 (“the Act), by the Ministry of Corporate Affairs effective from 1st April 2014, the management has internally reassessed and changed, wherever necessary the useful lives of fixed assets for the purpose of computing depreciation, so as to conform with the requirements of the Act. Accordingly, the carrying amount of Fixed Assets as at April 1, 2014 is being depreciated over the remaining useful life of the asset and where the remaining life of an asset is nil as on April 1, 2014, the carrying amount of such asset has been recognised as adjustment to the retained earnings as on that date. Had the company continued with the previously assessed useful lives, charge for depreciation and amortization expense for the quarter and year ended March 31, 2015 would have been higher by Rs. 15 lacs and Rs. 33 lacs respectively and the profit before tax for the periods would have been lower by such amount. Further, the carrying value of Rs.261.66 Lac in case of assets with nil revised remaining useful life as at April 1, 2014 has been reduced from the retained earnings as on such date.

52. The Company is applied for the extension of time limit under FEMA rules for material advances given to the associate enterprises amounting Rs.624.19 lakhs as on 31st March 2015

53. Previous year`s figures have been re-grouped / re-classified, wherever necessary to conform to the current year`s presentation

Per our Report of even date annexed

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

N Sri Krishna
Partner
Membership No: 26575

For R SUBRAMANIAN & CO.
Chartered Accountants
Firm Regn No : 004137S

K Jayashankar
Partner
Membership No: 014156

For and on behalf of Board of Directors

Raj H Eswaran
Managing Director
Din 00195354

P Chandrasekaran
Chief Financial Officer

Rakesh Garg
Director
Din 00240379

Praveen Hegde
Company Secretary

Place : Chennai

Date : 29th May 2015

Independent Auditor's Report on Consolidated Financial 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 Balance Sheet as at 31st March 2015, Statement of Profit & Loss and 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 Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements 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 thereunder

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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

- a) The financial statement 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.
- b) The financial statement in respect of value of inventory pertaining to the 'Metering Business' amounting to Rs.215.41 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.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the consolidated state of affairs of the Group as at 31st March, 2015, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

Attention is drawn to the following:

- a) The financial statement with regard to Liquidated Damages recovered by the customers of Turnkey projects from running bills amounting to Rs.1191.69 lakhs, is under negotiations with customers seeking waiver of the same. Pending the outcome of the same the Liquidated Damages so levied have not been provided for.
- b) The financial statements 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.117.03 lakhs due for more than 1 year.

- c) The financial statement in respect of certain turnkey projects which have been terminated by the customers resulting in encashment of bank guarantees given by the company amounting to Rs.526.95 lakhs (Net) has been shown recoverable from parties in respect of which negotiations with the customers are stated to be in progress. Pending the outcome of negotiations no adjustment in the financial statements has been made.
- d) The financial statements with regard to pending compliance under FEMA Rules in respect of extension of time limit for receipt of material on advance to Associate Enterprise to the extent of Rs.624.19 lakhs.
- e) The financial statement with regard to balances due from and due by the company towards debtors and creditors including debit balances in creditor accounts and credit balances in debtors accounts, in respect of which confirmations have not been received. Pending receipt of confirmation of balances and consequent reconciliations if any and the resultant impact on the financial statements including the operating results is not ascertainable

Our opinion is not qualified in respect of this matter.

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.19440.40 Lakhs and net assets of Rs.12517.25 Lakhs as at 31st March 2015, total revenue of Rs.6432.37 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 the Companies (Auditor's Report) Order 2015, ('the Order') issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, based on the comments in the auditor's report of Holding Company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order. The statement does not include matters on foreign subsidiaries as the provisions of Section 143 of the Act is not applicable to foreign companies.
2. 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 in our opinion,

proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as appears from our examination of those books;

- b) 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 relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- c) 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.
- d) On the basis of written representations received from the directors of the Holding Company as on 31st March 2015 and taken on record by the Board of Directors, there is no disqualification of directors of Holding Company as on 31st March 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- e) 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:-
 - (i) The Consolidated Financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note No. 29 to the consolidated financial statements.
 - (ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses,
 - (iii) The amounts required to be transferred to the Investor Education and Protection fund by the Company have been transferred.

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

N. Srikrishna
Partner
Membership No. 26575

For R.SUBRAMANIAN AND COMPANY
Chartered Accountants
Firm Regn. No. 004137S

K. Jayashankar
Partner
Membership No. 14156

Place : Chennai
Date : 29.05.2015

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 consolidated financial statements of the Group for the year ended 31st March, 2015:

Our reporting on the Order only pertains to Holding Company incorporated in India. In respect of the Foreign Subsidiary and Fellow Subsidiaries, reporting under the Order in respect of these companies are not applicable being a Foreign Company incorporated outside India.

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 Holding 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;
2. a) The Stock of Finished Goods, Stores and Spare Parts and Raw Materials except stock lying with third parties 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. During the year the holding company granted interest free advances to wholly owned overseas subsidiary outstanding at year end amounting to Rs.2586.05 lakhs other than this the company has not granted any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 189 of the Act. The terms of advance given are not prima facie prejudicial to the interests of the company. 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 there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.

5. The Holding 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 account and records maintained by the Holding Company relating to the manufacture of Electrical or Electronic Machinery, pursuant to the Rules made by the Central Government for maintenance of Cost Records under sub-section (1) of Section 148 of the 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, the Holding Company is generally regular in depositing the undisputed statutory dues in respect of Customs Duty. However, there have been instances of delay in deposit of the undisputed statutory dues of Provident Fund, Income-tax including Tax Deducted at Source, Sales-tax (Value Added Tax and Central Sales Tax), Service Tax, Excise Duty and other material statutory dues with appropriate authorities during the year.
- b) 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.92.39 lakhs, Professional Tax of Rs.2.17 lakhs, Income Tax of Rs.59.15 lakhs (requested the 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.
- c) According to the information and explanations given to us, on the basis of examination of records of the Holding Company, the following dues have not been deposited with the appropriate authorities on account of dispute.

Name of the Statute	Assessment year to which the matter pertains	Forum where the matter is pending	Rs. in Lakhs
Income Tax	2003-04	Tribunal (Appeals)	* 47.85
Income Tax	2004-05	Tribunal (Appeals)	* 26.13
Income Tax	2006-07	CIT (Appeals)	# 55.42
Income Tax	2008-09	CIT (Appeals)	* 306.33
Income Tax	2009-10	CIT (Appeals)	@ 524.99
Income Tax	2010-11	CIT (Appeals)	@ 178.18
Sales Tax, Karnataka	2007-08	VAT (Appeals)	** 63.65
Sales Tax, Karnataka	2008-09	VAT (Appeals)	# 41.78

Sales Tax, West Bengal	2009-10	VAT (Appeals)	@ 6.18
Customs Duty	2011-12	CESTAT	# 66.38
Sales Tax, Tamilnadu	2006-07	-	& 37.98
Sales Tax, Tamilnadu	2007-08	-	@ 8.38
Sales Tax, Tamilnadu	2008-09	-	@ 29.63
Sales Tax, Tamilnadu	2009-10	-	@ 30.44
Sales Tax, Tamilnadu	2010-11	-	@ 144.43
Sales Tax, Tamilnadu	2011-12	-	@ 337.06
Enforcement Sales Tax, TN	2010-11	VAT (Appeals)	^ 11.97
Enforcement Sales Tax, TN	2011-12	VAT (Appeals)	^ 17.69

paid

* adjusted against refund

** Rs.32 lakhs Paid and Balance covered under Bank Guarantee

@ unpaid

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

^ 25% appeal deposit paid

(d) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund.

8. The Holding Company has accumulated loss of Rs.5161.62 Lakhs at the end of financial year which is not less than 50% of its networth. It has incurred cash loss during the financial year covered by our audit and also in the immediately preceding financial year.
9. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders except for a delay of upto 30 days in repayment of term loan installment to banks during the year
10. The Holding Company has not given guarantees for loans taken by others from banks or financial institutions.
11. The Holding Company has not availed Term loan during the year. Hence the above clause is not applicable to the company.

12. 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 Holding Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

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

N. Srikrishna
Partner
Membership No. 26575

For R.SUBRAMANIAN AND COMPANY
Chartered Accountants
Firm Regn. No. 004137S

K. Jayashankar
Partner
Membership No. 14156

Place : Chennai
Date : 29th May, 2015

Consolidated Balance Sheet as at 31st March, 2015

Rs Lacs

Particulars	Note No.	As at 31 st March 2015	As at 31 st March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	615.88	416.14
(b) Reserves and surplus	3	15,306.85	16,353.29
		15,922.73	16,769.43
(2) Minority Interest			
(3) Non-current liabilities			
(a) Long-term borrowings	4	5,234.34	10,344.88
(b) Deferred tax liabilities (Net)	5	-	429.77
(c) Other Long term liabilities	6	866.75	847.40
(d) Long-term provisions	7	130.71	160.88
		6,231.80	11,782.93
(4) Current liabilities			
(a) Short-term borrowings	8	13,121.58	11,825.45
(b) Trade payables	9	21,858.12	18,494.82
(c) Other current liabilities	10	7,522.52	7,773.72
(d) Short-term provisions	11	582.47	574.29
		43,084.69	38,668.28
Total		65,239.22	67,220.64
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		10,580.44	9,769.01
(ii) Intangible assets		11,432.51	15,666.90
		22,012.95	25,435.91
(b) Non-current investments		-	-
(c) Long-term loans and advances	13	1,056.57	1,302.79
(d) Other Non current assets	14	116.75	388.05
		23,186.27	27,126.75
(2) Current assets			
(a) Current investments	15	39.06	37.43
(b) Inventories	16	6,420.12	6,483.59
(c) Trade receivables	17	28,333.33	27,691.44
(d) Cash and Bank Balances	18	1,869.30	1,983.27
(e) Short-term loans and advances	19	5,320.62	3,799.07
(f) Other current assets	20	70.52	99.09
		42,052.95	40,093.89
Total		65,239.22	67,220.64

Significant Accounting Policies

1

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

Per our Report of even date annexed

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

For R SUBRAMANIAN & CO.
Chartered Accountants
Firm Regn No : 0041375

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: 26575

K Jayashankar
Partner
Membership No: 014156

P Chandrasekaran
Chief Financial Officer

Parveen Hegde
Company Secretary

Place : Chennai
Date : 29th May 2015

Consolidated Statement of Profit and Loss for the year ended 31st March 2015

		Rs Lacs	
Particulars	Note No.	Year ended 31 st March 2015	Year ended 31 st March 2014
1 Revenue from operations	21	11,793.10	25,647.24
2 Other income	22	865.34	910.01
3 Total Revenue (1+2)		12,658.44	26,557.25
4 Expenses			
(1) Cost of Materials Consumed	23	5,616.96	15,492.14
(2) Change in Inventory	24	(494.75)	(424.36)
(3) Employee benefits expense	25	4,257.21	4,827.57
(4) Finance costs	26	2,645.15	3,022.53
(5) Depreciation and amortization expense		2,051.47	2,623.43
(6) Other expenses	27	2,747.96	3,633.68
Total expenses		16,824.00	29,174.99
5 Profit before exceptional and extraordinary items and tax (3-4)		(4,165.56)	(2617.74)
6 Exceptional items		600.72	369.04
7 Profit before extraordinary items and tax (5-6)		(4,766.28)	(2986.78)
8 Extraordinary Items		-	-
9 Profit before tax (7- 8)		(4,766.28)	(2,986.78)
10 Tax expense:			
(1) Current tax		-	83.63
(2) Deferred tax		(429.77)	-
(3) MAT Credit Availment		-	-
11 Profit after tax for the year (9-10)		(4,336.51)	(3070.41)
(-) Minority Interest		(287.85)	39.94
(+) Minority Interest Reserve		-	-
(-) Share of Loss of Associates		-	-
12 Profit after tax for the year		(4,048.66)	(3110.35)
13 Earnings per equity share (in Rs)			
(1) Basic (Face Value Rs.2 each)		(13.75)	(14.95)
(2) Diluted (Face Value Rs.2 each)		(13.75)	(14.95)

Significant Accounting Policies

1

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

Per our Report of even date annexed

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

For R SUBRAMANIAN & CO.
Chartered Accountants
Firm Regn No : 004137S

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: 26575

K Jayashankar
Partner
Membership No: 014156

P Chandrasekaran
Chief Financial Officer

Parveen Hegde
Company Secretary

Place : Chennai
Date : 29th May 2015

**Consolidated Cash flow statement for the year ended
31st March, 2015 Pursuant to Clause 32 of the Listing Agreement**

Rs Lacs

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
A Cash flow from operating activities:		
Net profit before tax and extraordinary items	(4,766.28)	(2,986.78)
Adjusted for:		
Depreciation	2,051.47	2,623.43
(Profit)/Loss on Sale of Assets	-	(1.39)
Interest Expense	2,645.15	3,022.53
Interest Income	(320.46)	(224.17)
Unrealised Forex fluctuations in Drs and Crs	138.27	(123.41)
Operating profit before Working Capital changes	(251.85)	2,310.21
Trade and other receivables	(641.89)	(2,818.03)
Inventories	63.47	443.50
Short term Loans and Advances	(3775.95)	120.47
Trade Payables and other Current Liabilities	3,090.15	2,911.73
Cash generated from operations	(1,516.07)	2,967.88
Direct Taxes	(44.19)	(84.11)
Net cash from operating activities	(1,560.26)	2,883.77
B Cash flow from Investing activities:		
Purchase of Fixed Assets	(2,160.28)	(4,966.04)
(Increase) / Decrease in capital work in progress	-	-
Interest received	320.46	224.17
Long term Loans and Advances	517.52	(386.55)
Margin Money Accounts and Deposits	629.41	8.19
Sale of Fixed Assets	3,008.45	2,867.96
Net cash from Investing activities	2,315.56	(2,252.27)
C Cash flow from financing activities:		
Rights Issue	5,861.79	-
Increase / (Decrease) in Term Loans	(5,110.54)	1,089.43
Increase / (Decrease) in Short Term Borrowings	1,296.13	1,273.14
Dividend paid	-	-
Interest paid	(2,645.15)	(3,022.53)
Net Cash from financing activities	(597.77)	(659.96)
Increase / (Decrease) in cash and cash equivalent	157.53	(28.46)
Cash and cash equivalent at the beginning of the year	220.64	249.10
Cash and cash equivalent at the close of the year	378.17	220.64
Reconciliation of Cash and Cash Equivalents		
Cash and Bank Balances as per Balance Sheet	1,869.30	1,983.27
Less: Margin Money Accounts considered as Investing Activity	803.03	740.03
Less: Fixed Deposits in Bank accounts considered in Investing Activity	663.53	992.97
Less: Unpaid Dividend Accounts	24.57	29.63
Cash and Cash Equivalents as per Cash Flow Statement	378.17	220.64

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.

Per our Report of even date annexed		For and on behalf of Board of Directors	
For BRAHMAYYA & CO.	For R SUBRAMANIAN & CO.	Raj H Eswaran	Rakesh Garg
Chartered Accountants	Chartered Accountants	Managing Director	Director
Firm Regn No : 000511S	Firm Regn No : 004137S	Din 00195354	Din 00240379
N Sri Krishna	K Jayashankar		
Partner	Partner	P Chandrasekaran	Parveen Hegde
Membership No: 26575	Membership No: 014156	Chief Financial Officer	Company Secretary
Place : Chennai			
Date : 29 th May 2015			

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 Translations 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-15	-	Direct subsidiary
2. ERL Phase Power Technologies Ltd	Canada	100%	31-Mar-15	-	Subsidiary of ERL International Pte. Ltd
3. ERL Marketing International FZE	Sharjah, UAE	100%	31-Mar-15	-	Subsidiary of ERL International Pte. Ltd
4. ERL Switchcraft Pte Ltd	Singapore	80%	31-Mar-15	-	Subsidiary of ERL International Pte. Ltd
5. Switchcraft Limited	Hongkong, China	80%	31-Mar-15	-	Subsidiary of ERL Switchcraft Pte. Ltd
6. Switchcraft Europe GMBH	Germany	80%	31-Mar-15	-	Subsidiary of ERL Switchcraft Pte. Ltd
7. ERL Pacific Pty Ltd	Australia	82%	31-Mar-15	-	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 by the Group and the minorities' share of changes in equity since 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 assets as specified there in and recokoning 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.

2. Share Capital

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
<u>Authorised Share Capital:</u>		
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
<u>Issued Share Capital:</u>		
2,08,07,864 (2,08,07,864) Equity Shares of Rs.2 each	615.90	416.16
<u>Subscribed and Paid up Capital:</u>		
2,08,07,014 (2,08,07,014) Equity Shares of Rs.2 each fully paid up	615.88	416.14
Total	615.88	416.14

2.1 Reconciliation of number of shares

Particulars	As at 31 st March 2015		As at 31 st March 2014	
	No. of Shares held	Amount	No. of Shares held	Amount
Balance at the beginning of the year	20,807,014	416.14	20,807,014	416.14
Add: Shares issued during the year	9,987,127	199.74	-	-
Less: Shares bought back during the year	-	-	-	-
Balance at the end of the year	30,794,141	615.88	20,807,014	416.14

3. Reserves and Surplus

Particulars	As at 31 st March 2015	As at 31 st March 2014
Capital Reserve		
Opening Balance	714.34	714.34
Add: Amount transferred on Share warrant	-	-
Less: Deductions	(1,220.32)	-
Closing Balance	(505.98)	714.34
Government Subsidy	40.42	40.42
Securities Premium Account		
Opening Balance	9,843.72	9,843.72
Add: Premium of Rights Issue	5,692.66	-
Less: Expenses for Rights Issue	30.61	-
Closing Balance	15,505.77	9,843.72
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	(727.95)	(721.00)
Add: Exchange Loss capitalised during the year	(982.84)	(375.99)
Less: Amortisation during the year	600.72	369.04
Closing Balance	(1,110.07)	(727.95)
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

Particulars	As at 31 st March 2015	As at 31 st March 2014
Foreign Currency Translation Reserve		
Opening Balance	2,191.83	1,661.85
Add: Reserve for the year	519.14	529.98
Closing Balance	2,710.97	2,191.83
Surplus in Statement of Profit and Loss		
Opening Balance	(5,255.46)	(2,145.11)
Add: Retaining Earning-Depreciation	(261.64)	-
Add: Profit for the year	(4,336.51)	(3,070.41)
Less: Proposed dividend	-	-
Less: Minority Interest	(1027.04)	(39.94)
	(10,880.65)	(5,255.46)
Less: Minority Interest Reserve	-	-
	(10,881.89)	(5,255.46)
Total	15,306.85	16,353.29

4. Long Term Borrowings

Particulars	As at 31 st March 2015	As at 31 st March 2014
Secured Loans		
Foreign Currency Term loans From Banks		
Standard Chartered Bank ECB	120.63	1,497.50
BDC	-	89.66
DBS Bank - ECB (Refer 4.1(i))	937.50	1,354.72
External Commercial Borrowings (Refer 4.1 (i))	1,058.13	2,941.88
Rupee Term Loans From Banks		
Axis Bank (Refer 4.1(i))	-	157.44
Hire Purchase Loan		
Long Term Maturities of vehicle loans (Refer 4.1(ii))	-	7.29
Total (A)	1,058.13	3,106.61
Unsecured Loans		
Sales Tax Deferral Scheme (Refer 9.1)	-	-
Intercompany Deposits (Refer 7.2)	4,176.21	7,238.27
Total (B)	4,176.21	7,238.27
Total (A+B)	5,234.34	10,344.88

Notes

4.1 Security Clause

i) Term Loans

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

ii) Hire Purchase Loans

Loans taken under hire purchase arrangements are secured against hypothecation of specific assets.

4.2 The details of Long Term Borrowings are as follows

Rs Lacs

Particulars	Repayment Start Date	O/s Amt as on 31st March 2015	Current Maturitie	Interest Rate	Instalment Amount
Rupee Term Loans					
Axis Bank Ltd (Repayable in 8 Quarterly instalments)	Feb-12	158.56	158.56	13.25%	31.71
External Commercial Borrowings (Fully Un-Hedged)					
Standard Chartered Bank (Repayable in 5 Half yearly Instalments) * (USD - 6.25 million) # @	Aug-12	2,343.75	2,343.75	4.35%	1,171.88
External Commercial Borrowings (Fully Un-Hedged) DBS Bank Ltd (Repayable in 5 Half yearly Instalments) (USD - 5.25 million) # @	Aug-12	2,343.75	1,406.25	11.60%	703.13
Total		4,846.06	3,908.56		1,926.72

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

O/s as on 31.03.2015

@ Delay in repayment of instalment which has been paid after 31st March 2015.

5. Deferred Tax Liabilities

Particulars	As at 31 st March 2015	As at 31 st March 2014
Deferred Tax Liabilities (DTL)		
- On account of Timing differences related to Fixed Assets	620.89	517.37
Deferred Tax Assets (DTA)	-	-
- Disallowances under Income Tax Act 1961	(5.99)	(87.60)
- Unabsorbed business loss	(4,436.43)	-
DTA Restricted to DTL	620.89	-
Total	-	429.77

6. Other Long Term Liabilities

Particulars	As at 31 st March 2015	As at 31 st March 2014
Long-term loans and advances		
- Loans to Others	866.75	847.40
- Loans to subsidiary	-	-
Total	866.75	847.40

7. Long-term provisions

Particulars	As at 31 st March 2015	As at 31 st March 2014
Provision for employee benefits		
- Leave Encashment	54.30	59.55
- Gratuity	76.41	64.87
Other Provisions	-	36.46
Total	130.71	160.88

8. Short-term borrowings

Rs Lacs

Particulars	As at 31 st March 2015	As at 31 st March 2014
Secured		
From Banks		
- Cash Credits facilities availed	13,121.58	11,466.08
- Buyers credit	-	359.37
Total	13,121.58	11,825.45

8.1 Working Capital

a. Primary Security

Hypothecation of entire current assets including stocks, receivables and current assets of the Company on pari passu basis favouring Axis Bank.

b. Collateral Security

Bank	Properties	
	Hosur Factory: Land	Industrial Land
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 # by way of primary security

9. Trade Payables

Particulars	As at 31 st March 2015	As at 31 st March 2014
Micro, Small and Medium Enterprises	131.93	162.07
Other Enterprises	21,726.19	18,332.75
Total	21,858.12	18,494.82

10. Other Current Liabilities

Particulars	As at 31 st March 2015	As at 31 st March 2014
A. Secured		
Current Maturities of Long Term Debt:		
(a) Foreign Currency Term loans from Banks		
Standard Chartered - ECB (Refer 4.1(i))	2,343.75	2,246.25
DBS Bank - ECB (Refer 4.1(i))	1,406.25	1,016.04
(b) Rupee Term Loans from Banks		
Axis Bank (Refer 4.1(i))	158.56	158.32
Standard Chartered Bank	-	160.00
(c) Current Maturities of Hire Purchase Loans (Refer 4.1(ii))	-	2.84
Total - A	3,908.56	3,583.45

Particulars	As at 31 st March 2015	As at 31 st March 2014
B. Unsecured		
Sales Tax Deferral Scheme (Refer 10.1)	69.45	72.45
Interest Accrued and not due on borrowings	82.84	42.35
Interest Accrued and due on borrowings	164.40	219.13
Other Payables		
Employee Related	317.50	162.26
Expenses, Service & Contract Payables	-	161.66
Advances from Customers	1,855.63	2,337.64
Unpaid Dividend Payable	24.57	29.60
Statutory Dues Payables	1,099.57	1,165.18
Total -B	3,613.96	4,190.27
Total (A+B)	7,522.52	7,773.72

10.1 The company has been sanctioned to avail interest free sales tax deferral scheme for an aggregate amount of Rs.69.45 lakhs by the department of Sales tax, Government of Tamilnadu. The underlying deferred sales tax payable by the company from the financial year commencing from 2013-14 (which is not paid and interest @24% p.a on the same is provided in the books)

11. Short Term Provisions

Particulars	As at 31 st March 2015	As at 31 st March 2014
Provision for Employee Benefits		
Leave Encashment	6.96	8.60
Other Provisions		
Warranty Claim Reserve (refer 10.1)	130.37	148.74
Other provisions	445.14	416.95
Total	582.47	574.29

11.1 Warranty Claim Reserve

Particulars	As at 31 st March 2015	As at 31 st March 2014
At the beginning of the year	148.75	170.79
Created during the year	-	-
Utilised during the year	18.38	22.05
At the end of the year	130.37	148.74

Notes to the Financial Statements

Rs Lacs

12. Fixed Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at 1-Apr-14	Additions	Deductions	As at 31-Mar-15	As at 1-Apr-14	For the year	As at 31-Mar-15	As at 31-Mar-14
(a) Tangible Assets								
Land - Leasehold	2.31			2.31	-		2.31	2.31
Land - Housar Residential Plots	998.98			998.98	-		998.98	998.98
Buildings	4,209.77			4,209.77	-		4.29	4.29
Buildings - Leasehold	5.26			5.26	463.31	131.85	3,614.66	3,746.46
Plant and Machinery	3,382.33	14.64		3,396.97	2.16	0.34	2.76	3.10
Electrical installation	588.85	22.03		610.88	572.66	218.69	2,599.67	2,809.67
Office equipments	511.17			511.17	285.37	39.30	286.21	303.48
Furniture	590.03			590.03	371.74	22.05	438.73	139.43
Vehicles	106.27			106.27	271.23	68.08	340.11	318.80
Computers	841.92			841.92	85.16	2.82	18.29	21.11
					590.10	40.68	836.83	251.82
Research And Development								
Buildings	173.23			173.23	50.09	5.34	117.80	123.14
Plant and Machinery	445.94			445.94	177.50	40.25	225.41	268.44
Electrical installation/								
Fittings	27.01			27.01	26.18	0.08	0.53	0.83
Office equipments	88.64			88.64	87.53	0.92	1.11	1.11
Computers	1.88			1.88	1.58	0.26	0.04	0.30
Total	11,977.88	36.67	-	12,014.55	2,984.61	569.74	8,198.53	8,993.27
Subsidiary Assets								
Equipments	1,412.12	1,766.00		3,178.12	836.74	126.59	2,214.79	575.38
Furniture & Fixtures	75.59			75.59	25.93	8.84	34.77	49.66
Office Equipments	171.34	0.67		172.01	35.76	16.30	119.95	135.58
Vehicles	56.68			56.68	41.55	8.78	50.33	15.13
Total (B)	1,715.73	1,766.67	-	3,482.40	939.98	160.51	2,381.91	775.75
Total (A+B)	13,693.61	1,803.34	-	15,496.95	3,924.59	730.25	10,580.44	9,769.02
Previous Year	13,775.05	637.35	718.80	13,693.60	3,086.74	616.55	9,769.01	10,688.31
(b) Intangible								
Technology Know-how	550.44			550.44			550.44	0.00
Non-compete fees	1,170.31	95.29		1,265.59	100.00		100.00	-
Intangible Asset - Product devel	11.69			11.69	633.18	164.69	797.87	537.13
Computer Software					11.47		11.47	0.22
Total (A)	1,832.43	95.29	-	1,927.72	1,295.09	164.69	1,459.78	537.35
Previous Year	1,667.19	165.24	-	1,832.43	1,109.83	272.03	1,381.86	537.36
Subsidiary Assets								
Goodwill	2,308.92			2,308.92			2,308.92	2,308.92
Computer Software	255.37			255.37	200.59	50.00	250.59	4.78
Intellectual Property rights	6,013.39			6,013.39			6,013.39	6,013.39
Intangible Development costs	11,036.53			11,036.53	4,284.07	1,106.54	5,390.61	6,752.46
Total (B)	19,614.21	-	3,008.45	16,605.76	4,484.66	1,156.54	10,964.56	15,129.55
Total (A+B)	21,446.64	95.29	3,008.45	18,533.48	5,779.75	1,321.23	11,432.51	15,666.90
Previous Year	17,649.26	4,163.45	2,198.50	19,614.21	2,935.07	1,734.85	4,669.92	14,714.19
Grand Total	35,140.25	1,898.63	3,008.45	34,030.43	9,704.34	2,051.48	22,017.47	25,435.92
Previous Year	33,091.50	4,966.04	2,917.30	35,140.24	7,131.64	2,623.43	9,704.34	25,959.86

13. Long-term loans and advances

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
Unsecured, Considered Good unless otherwise stated		
Capital Advances	200.72	472.89
Security Deposits and Earnest Money Deposits	199.85	212.17
Testing Charges to be amortised	5.16	11.09
Income Tax & TDS (NET)	650.84	606.64
Total	1,056.57	1,302.79

14. Other non-current Assests

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
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	116.75	388.05
Interest Accured on Bank Guarantee Margin	-	-
Total	116.75	388.05

15. Current Investments

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
Non Traded - UnQuoted (At Cost)		
Other investments	39.06	37.43
Total	39.06	37.43

16. Inventory

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
(Lower of Cost and estimated Net Realisable Value)		
Raw Materials and Components	3,296.55	3,232.03
Work In Progress	1,991.16	1,223.43
Finished Goods	557.93	830.91
Packing Materials	5.30	4.91
Stock in Transit - Raw Materials & Components	569.18	1,174.40
Stores and Spares	-	17.91
Total	6,420.12	6,483.59

17. Trade Receivables

Particulars	Rs Lacs	
	As at 31 st March 2015	As at 31 st March 2014
Unsecured, Considered Good unless otherwise stated		
Outstanding for a period exceeding six months	18,676.21	11,771.00
Other Receivables	8,369.64	15,116.43
Related Parties		
Outstanding for a period exceeding six months	785.35	348.04
Other Receivables	502.13	455.97
Total	28,333.33	27,691.44

18. Cash and Bank Balances

Particulars	As at 31 st March 2015	As at 31 st March 2014
Cash and cash equivalents		
Cash on Hand	376.00	182.09
Balances with banks in Current Accounts	2.17	38.55
Balances in Earmarked Accounts		
Unpaid Dividend Accounts	24.57	29.63
Other Bank Balances*		
Bank Deposits		
Bank Deposits with maturity less than 3 months	567.00	425.97
Bank Deposits with maturity more than 3 months but less than 12 months	96.53	567.00
Bank Deposits with maturity more than 12 months	-	38.80
Margin Money Deposits		
Margin Money Deposits maturing after 12 months	116.75	349.25
Margin Money Deposits maturing within 12 months	803.03	740.03
Less: Term Deposits maturing after 12 months from the Balance Sheet date and other earmarked / margin money / pledged deposits classified as non-current	116.75	388.05
Total	1,869.30	1,983.27

* Under lien with DBS Bank and Standard Chartered Bank

19. Short-term loans and advances

Particulars	As at 31 st March 2015	As at 31 st March 2014
Advances recoverable in cash or in kind or for value to be received (Unsecured, Considered Good unless otherwise stated)		
Advance to suppliers	1,165.01	1,588.50
Advance to- Related Parties	795.55	463.92
Advance to Employees	51.52	39.93
Rental Advance	18.28	220.20
Prepaid Expenses	299.87	439.71
Other Receivables	2,193.75	335.67
Statutory Receivables (Input Credits)	796.64	711.14
Total	5,320.62	3,799.07

20. Other current assets

Particulars	As at 31 st March 2015	As at 31 st March 2014
(a) Interest Accrued on Short term deposit	-	30.96
(b) Interest Accrued on Bank Guarantee Margin	70.52	68.13
Total	70.52	99.09

21. Revenue from Operations

Rs Lacs

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Sale of products (Refer Note 21.1)	11,513.14	24,352.63
Sale of services	253.76	2,242.54
Other operating revenues	314.84	64.22
	12,081.74	26,659.39
Less: Excise duty	288.64	1,012.15
Total	11,793.10	25,647.24

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

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Relays and Control Panels	8,640.35	11,649.80
Substation Automation Solutions	-	50.87
GMF	461.86	-
Switchgear	41.17	1,629.86
Projects	2,081.12	10,009.95
Add: Excise Duty	288.64	1,012.15
Total	11,513.14	24,352.63

22. Other Income

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Interest Income	320.46	224.17
Profit on Sale of Fixed Assets	-	1.39
Trade Incentives	7.04	16.49
Miscellaneous Income	537.84	667.96
Total	865.34	910.01

23. Cost of Material Consumed

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Opening Stock		
Raw Materials and Components	3,232.03	3,935.00
Reinstatement of Opening Inventory	-	-
Add: Purchases	5,681.48	14,789.17
	8,913.51	18,724.17
Less: Closing Stock		
Raw Materials and Components	3,296.55	3,232.03
Total	5,616.96	15,492.14

24. Change in Work in Progress and Finished Goods

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Opening Stock		
Finished Goods	1,760.10	1,342.70
Work in Progress	294.24	287.28
(A)	2,054.34	1,629.98
Less: Closing Stock		
Finished Goods	557.93	830.91
Work in Progress	1,991.16	1,223.43
(B)	2,549.09	2,054.34
Total (A+B)	(494.75)	(424.36)

25. Employee Benefits Expense

Rs Lacs

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Salaries and Wages	4,028.64	4,489.08
Contribution to provident and other funds	90.35	113.09
Staff Welfare Expenses	138.22	225.40
Total	4,257.21	4,827.57

26. Finance Costs

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Interest		
Term Loans	217.52	885.50
Buyers Credit and Others	181.95	327.10
Working Capital Loans	1,751.17	1,572.71
Other borrowing costs	494.51	237.22
Total	2,645.15	3,022.53

27. Other Expenses

Particulars	Year ended 31 st March 2015	Year ended 31 st March 2014
Consumption of Stores and Spares	1,378.12	131.80
Power & Fuel	78.79	85.51
Rent	94.48	451.25
Repairs to : Buildings	3.43	7.95
: Machinery	1.56	42.96
: Others	149.32	280.40
Insurance	30.69	131.15
Rates and taxes (excluding taxes on income)	68.09	180.44
Travel and Conveyance Expenses	183.87	597.46
Postage, Telephone and Telegram	36.02	99.22
Selling Expenses	30.77	281.75
Audit Fees : Audit	3.00	15.00
: Tax matters	-	1.50
: For other services	6.00	13.04
: Out of Pocket Expenses	1.65	3.41
Professional Charges	21.46	238.56
Electricity Charges	4.35	46.49
Security Charges	54.77	66.84
Advertisement Expenses	3.26	88.92
Printing & Stationery	16.80	69.50
Bank Charges	340.71	393.49
Tools Written off	17.74	8.21
Service Charges	3.33	10.47
Foreign Exchange Loss	132.67	42.91
Other expenses	87.08	345.45
Total	2,747.96	3,633.68

28. Disclosure of AS 18 for the Year 2014-15

a) Details of transactions during year 2014-15

Rs Lacs

Sl No	Particulars	Eswaran & Sons Engineers Ltd	Sowraj Investments	Easun Products of India P Ltd	Key Mgt Personnel	Grand Total
1	Sale of Goods			- (447.74)		- (447.74)
2	Purchase of Goods					-
3	Rendering of Services Reimbursement of Expenses (incl. exchange fluctuation) Unsecured Loan					-
	Interest on Loan advanced					-
4	Availing of Services Reimbursement of Expenses			- -		- -
	Loan borrowed		(1,840.00)	(3,662.50)		(5,502.50)
	Loan repayment		2,331.62	649.00 (2,475.41)		2,980.62 (2,475.41)
	Interest on Loan borrowed		-	-	-	-
5	Directors remuneration				48.00 (48.00)	48.00 (48.00)

b) Details of outstandings in respect of Related Parties

Sl No	Names of Related Parties	Outstanding as on	Maximum Amount	Outstanding as on	Maximum Amount
		31/03/2015	due during the year	31/03/2014	due during the year
1	Eswaran & Sons Engineers Ltd.	NIL	NIL	NIL	NIL
2	Easun Mr Tap Changers P Ltd	NIL	NIL	NIL	NIL
3	Easun Products of India P Ltd	1314.35 Cr.	1944.70 Cr.	1,944.16 Cr.	2,746.20 Cr.
4	Sowraj Investment P Ltd	2861.88 Cr.	5193.56 Cr.	5,193.50 Cr.	5,193.50 Cr.
5	ERL Thailand P. Ltd	NIL	NIL	NIL	NIL
6	Directors :				
7	Hari Eswaran	28.75 Cr.	28.75 Cr.	24.57 Cr.	24.57 Cr.
8	Raj H Eswaran	39.66 Cr.	39.66 Cr.	25.26 Cr.	25.26 Cr.
9	Dr W S Jones	1.62 Cr.	1.62 Cr.	3.31 Cr.	3.31 Cr.
10	Rakesh Garg	7.15 Cr.	7.15 Cr.	6.80 Cr.	6.80 Cr.
11	J D N Sharma	5.95 Cr.	5.95 Cr.	6.57 Cr.	6.57 Cr.
12	Raman M	0.05 Cr.	0.05 Cr.	NIL	NIL

29. Contingent Liabilities and Commitments

Rs Lacs

A. Contingent Liabilities	2015	2014
1 Letters of Credit opened by Bank for purchase of raw materials and components	2,111.30	1,321.74
2 Counter Guarantee given to bankers in respect of Guarantees given by them	15,186.60	15,186.60
Counter Guarantee given to bankers in respect of Standby LC given by them	-	377.13
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	745.60	1,766.93
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 - Paid	306.33	306.33
2009-10 - Unpaid	525.00	525.00
2010-11 - Unpaid	178.18	178.18
6 Disputed amounts of Sales Tax		
Karnataka		
FY 2007-08 paid	-	63.65
FY 2008-09 paid	-	41.78
Disputed amounts of Sales Tax, Karnataka for the FY 2009-10		
Disputed amounts of Sales Tax, Karnataka for the FY 2010-11		
FY 2009-10 (Rs.3.00 Paid, Rs.17.62 Unpaid)	20.62	20.62
Tamil Nadu (unpaid)		
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	-
FY 2010-11	144.43	-
FY 2011-12	337.06	-
TN VAT - Enforcement	11.97	
FY 2010-11 (Rs 3.94 Lac Paid)	17.69	
FY 2011-12 (Rs 5.09 Lac Paid)		
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	7.99
B. Capital Commitment		
(a) Estimated amount of capital commitment on account of Fixed Assets	115.20	135.63

30. 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	2015	2014
Profit/(Loss) after tax	(4,048.66)	(3,110.35)
Number of Weighted average equity shares		
Basic	29,453,403	20,807,014
Effect of dilutive equity shares equivalent		
Share Warrants Outstanding	-	-
Foreign Currency Convertible Bond	-	-
	29,453,403	20,807,014
Face Value of Shares in Rupees	2.00	2.00
Earnings per share before exceptional items		
Basic in Rupees	(14.15)	(13.17)
Diluted in Rupees	(14.15)	(13.17)
Earnings per share after exceptional items		
Basic in Rupees	(13.75)	(14.95)
Diluted in Rupees	(13.75)	(14.95)

31. Previous year's figures have been re-grouped / re-classified, wherever necessary to conform to the current year's presentation

Per our Report of even date annexed

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

For R SUBRAMANIAN & CO.
Chartered Accountants
Firm Regn No : 004137S

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: 26575

K Jayashankar
Partner
Membership No: 014156

P Chandrasekaran
Chief Financial Officer

Parveen Hedge
Company Secretary

Place : Chennai
Date : 29th May 2015

Disclosure of Consolidated Financial Information relating to Subsidiary Companies as on 31.03.2015

	Name of the subsidiary	ERL International, 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	Share capital	19998.40	4374.65	650.63	0.06	4820.41	16.13	0.06
2	Reserves & surplus	3212.69	(3181.48)	(584.35)	(955.48)	(4759.02)	(1279.41)	(117.32)
3	Total assets	26,496.72	5881.31	941.38	10,005.29	4084.16	3.18	134.28
4	Total Liabilities	3285.63	4688.14	875.10	10960.71	4022.77	1266.46	251.55
5	Investments(Excluding Investments in Subsidiary)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6	Turnover	80.25	4706.42	1286.60	264.87	295.28	Nil	408.05
7	Profit before taxation	63.72	93.88	52.45	264.84	(1003.33)	(0.51)	(79.25)
8	Provision for taxation	Nil	Nil	Nil	Nil	Nil	Nil	Nil
9	Profit after taxation	63.72	93.88	52.45	264.84	(1003.33)	(0.51)	(79.25)
10	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil
11	% of shareholding	100%	100%	100%	80%	80%	80%	82%

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

1. Converted into Indian Rupees at the exchange rate 1 USD = Rs.62.495 as on 31st March 2015
2. Converted in to USD at the exchange rate of 1 EURO = USD 1.230 as on 31st March 2015
3. Converted in to USD at the exchange rate of 1 HKD = 0.12895 as on 31st March 2015
4. Converted in to USD AT the exchange rate of 1 AUD = 0.847 as 31st March 2015

Per our Report of even date annexed

For BRAHMAYYA & CO. For R SUBRAMANIAN & CO.
Chartered Accountants Chartered Accountants
Firm Regn No : 0005115 Firm Regn No : 0041375

N Sri Krishna Partner K Jayashankar Partner
Membership No: 26575 Membership No: 014156
Place : Chennai
Date : 29th May 2015

For and on behalf of Board of Directors
Raj H Eswaran Managing Director
Din 00195354

P Chandrasekaran Chief Financial Officer
Parveen Hegde 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	Signature	Signature
.....
Or failing him	Or failing him	Or failing him

as my / our proxy to attend and vote for me / us on my / our behalf at the 40th ANNUAL GENERAL MEETING of the Company to be held on 28th September, 2015 at 10.00 a.m. at Hotel Ambassador Pallava, 53, Montieth Road, Chennai – 600 008 and at any adjournment thereof.

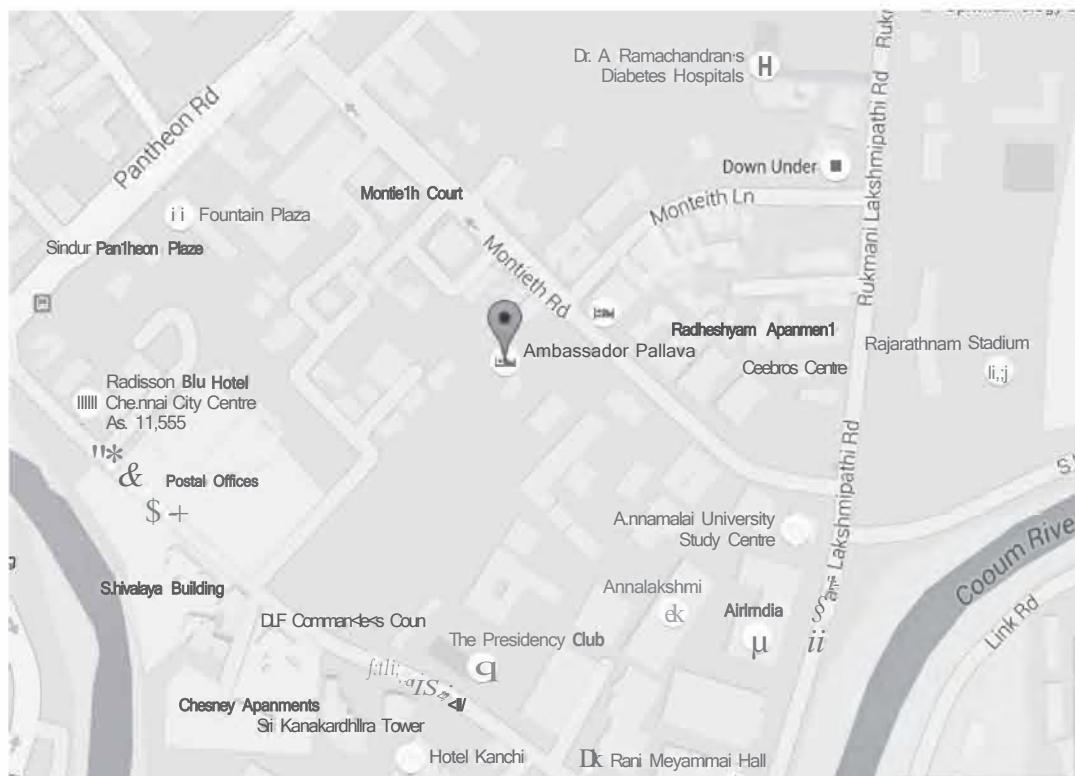
Sl. No.	Resolutions	Optional *	
		For	Against
	Ordinary Business		
01.	Ordinary Resolution for adoption of Audited Financial Statements for the year ended March 31, 2015		
02.	Ordinary Resolution to appoint a Director in place of Mr Hari Eswaran who retires by rotation and is eligible for re-appointment.		
03.	Ordinary Resolution for Re-appointment of M/s Brahmayya & Co, Chartered Accountants and M/s R Subramanian & Co Chartered Accountants, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.		
	Special Business		
04.	Ordinary Resolution for approval of Remuneration to Managing Director		

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 40th 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",
672, Anna Salai, Nandanam, Chennai - 600 035, India.
www.easunreyrolle.com