



# Refex Industries Limited

CIN No. L45200TN2002PLC049601



To:

03.08.2018

Bombay Stock Exchange Ltd.,  
25<sup>th</sup> Floor, P.J. Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

Dear Sir / Madam,

**Sub: Annual Report**

We hereby enclose the Annual Report of our Company M/s. Refex Industries Limited for the year ended 31<sup>st</sup> March, 2018 as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for your records. The said accounts were approved by our shareholders in the AGM held on Tuesday, the 31<sup>st</sup> July, 2018.


Thanking You,

Yours' Faithfully,

Encl. as above



For Refex Industries Limited

  
S. Gopalakrishnan  
Company Secretary



**Reflex Industries Limited**

CIN :- L45200TN2002PLCO49601

Website : [www.refex.co.in](http://www.refex.co.in)

# 16<sup>th</sup> ANNUAL REPORT 2017-2018



**Reflex Industries Limited**

CIN :- L45200TN2002PLCO49601

Registered Office : No.67, Bazullah Road, T.Nagar, Chennai-600 017, India.

Ph : +91 - 44 - 4340 5950, Fax : +91 - 44 - 4269 4112

E-mail : [admin@refex.co.in](mailto:admin@refex.co.in) Website : [www.refex.co.in](http://www.refex.co.in)

## **CONTENTS**

	Page No.
Corporate Information.....	02
Notice .....	03
Directors' Report.....	18
Report on Corporate Governance .....	51
Auditors Certificate on Corporate Governance.....	68
Management Discussion and Analysis Report .....	70
Independent Auditors' Report .....	73
Balance Sheet.....	81
Statement of Profit & Loss Account .....	82
Notes to the Accounts .....	83
Cash Flow Statement .....	100

## **CONSOLIDATED FINANCIAL STATEMENT**

Independent Auditors' Report on Consolidated Financial Statement .....	101
Balance Sheet.....	107
Statement of Profit & Loss Account .....	108
Notes to the Accounts .....	109
Cash Flow Statement.....	126



## **CORPORATE INFORMATION**

### **Board of Directors:**

Shri. T. Anil Jain  
*Chairman and Managing Director*

Sri. D. Hem Senthil Raj

Sri. Dinesh Kumar Agarwal

Smt. Jamuna Ravikumar

Sri. S. Gopalakrishnan  
*Company Secretary*

Smt. U.Lalitha  
*Chief Financial Officer*

### **Auditors**

Mr. M. Krishna Kumar & Associates  
*Chartered Accountants*  
New No. 33, (Old No. 17),  
School View Road, R.K. Nagar,  
Chennai- 600 028

### **Bankers**

#### **Indian Overseas Bank**

C & I C Branch  
Dr. Radha Krishnan Salai,  
Mylapore, Chennai – 600 004.

#### **ICICI Bank Ltd**

No. 40, Bazullah Road, T. Nagar,  
Chennai – 600 017

### **Registrar and Share Transfer Agents**

**M/s. Cameo Corporate Services Ltd.**  
“Subramanian Building”  
Fifth Floor, No. 1, Club House Road,  
Chennai – 600 002.

### **Registered Office** **(W.E.F 25.05.2018)**

67, Bazullah Road, T.Nagar,  
Chennai- 600 017

### **Corporate Office**

67, Bazullah Road, T.Nagar,  
Chennai- 600 017.



## NOTICE

Notice is hereby given that the Sixteenth Annual General Meeting of **Reflex Industries Limited**, will be held on, Tuesday the **31<sup>st</sup> day of July 2018** at 10.30 A.M at “Bharatiya Vidya Bhavan”, East Mada Street, Mylapore, Chennai – 600 004, to transact the following Business.

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a) The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 together with the Report of Auditors thereon
2. To appoint a Director in the place of Sri. T. Anil Jain (DIN 00181960), who retires by rotation and being eligible, offers himself for reappointment.

### SPECIAL BUSINESS:

3. **To consider and to give assent/dissent for passing the following resolution as an ordinary resolution.**

**“RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions of the Companies Act 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013 and pursuant to Regulation 16 (1) (b) and 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mrs Jamuna Ravikumar holding DIN 08009308 who was appointed as an Additional Director of the Company by the Board of Directors with effect from February 14, 2018 and who holds office until the date of the AGM in terms of Section 161 of the Company's Act, 2013 and in respect of whom the Company has received a Notice in writing from a member under Section 160 of the Companies Act, 2013 signifying the members intention to propose Mrs Jamuna Ravikumar as a Director of the Company be and is hereby appointed as an Independent Women Director of the Company to hold office for a term of three consecutive years upto the conclusion of the 19th AGM to be held in the year 2021.”

4. **To consider and to give assent/dissent for passing the following resolution as a Special Resolution**

**“RESOLVED THAT** pursuant to provisions of Regulation 31A(2) read with Regulations 31A(7) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015('Listing Regulations') including any amendments made thereto or any other applicable provisions of Listing Regulations and other applicable laws, consent of the members of the company be and is hereby given to reclassify Mr T. Jagdish Jain (Applicant) holding 7395 Equity shares of the company constituting 0.0477 % of the issued



and paid up share capital of the company from promoter category to “Public category since the applicant is neither involved in the Management nor hold any controlling stake in the company and also not entered into any Shareholders Agreement with the company nor has he got any Veto rights or special information Rights or Special Rights as to voting power or control of the company.

**“RESOLVED FURTHER THAT it is hereby confirmed**

- That the Applicant does not hold individually, more than 10% of the paid up equity capital of the company.
- That the applicant does not have any special Rights through formal or informal arrangement/agreements.
- That the applicant does not and shall not act as Key Management Personnel for a period of more than 3 years from the date of shareholders approval.
- That the applicant does not directly or indirectly, exercise Control over the affairs of the company.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board or the officers authorised by the Board in this regard be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the company.

**5. To consider and to give assent/dissent for passing the following resolution as a Special Resolution**

**“RESOLVED THAT** pursuant to provisions of Regulation 31A(2) read with Regulations 31A(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations') including any amendments made thereto or any other applicable provisions of Listing Regulations and other applicable laws , consent of the members of the company be and is hereby given to reclassify Mrs. Seema Jain holding 84117 equity shares of the Company constituting 0.54% of the issued and paid up share capital of the company from promoter category to “Public category since the applicant is neither involved in the Management nor hold any controlling stake in the company and also not entered into any Shareholders Agreement with the company nor has she got any Veto rights or special information Rights or Special Rights as to voting power or control of the company.

**“RESOLVED FURTHER THAT it is hereby confirmed**

- That the Applicant does not hold individually, more than 10% of the paid up equity capital of the company.
- That the applicant does not have any special Rights through formal or informal arrangement/agreements.
- That the applicant does not and shall not act as Key Management Personnel for a period of more than 3 years from the date of shareholders approval.
- That the applicant does not directly or indirectly, exercise Control over the affairs of the company.

**“RESOLVED FURTHER** that for the purpose of giving effect to the above resolutions, the Board or the officers authorised by the Board in this regard be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the company.

**6. To consider and to give assent/dissent for passing the following resolution as a Special Resolution**

**“RESOLVED THAT** pursuant to section 186 and all other applicable provisions if any of the Companies Act 2013 read with the relevant rules thereof (Including any statutory modification or re-enactment thereof for the time being in force) the consent of the company be and is hereby accorded to the Board of Directors to :

1. Give loan to any person or other body corporate or
2. Give any guarantee or to provide any security in connection with a loan to any other body corporate or person
3. Acquire by way of subscription, purchase or otherwise the security of any other body corporate.

Which exceeds 60% of company's paid-up capital and its free reserves and security premium account or 100% of the free reserves and securities premium account whichever is more provided that the total loans or investments made, guarantee given and securities provided shall not at any time exceed Rs. 200 Crores over and above the permissible limits.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any questions or difficulty that may arise in regard to the proposed Loans or Guarantees or Securities or Investment and to do all such acts, deeds, matters or things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection thereof”.

**BY ORDER OF THE BOARD  
FOR REFEX INDUSTRIES LTD**

PLACE: Chennai  
DATE: 25.05.2018

**S. Gopalakrishnan**  
Company Secretary



## NOTES

1. The relevant details of a person seeking re-appointment as Director under Item No.2 of the Notice as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchanges is annexed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the Company. Proxies in order to be effective must be duly filled in, stamped, signed and should be deposited at the Registered office of the Company, not later than 48 hours before the date of meeting. Proxies submitted on behalf of Limited Companies, Societies etc must be supported by appropriate resolution / Authority as applicable issued on behalf of the appointing organization. A person can be appointed as proxy for a maximum of 50 members.
3. The Register of Members and Share Transfer books of the Company will remain closed from 28.07.2018 to 31.07.2018 (Both days inclusive).
4. Members holding equity shares in physical form are requested to notify immediately any change in their address to their respective depository participants and not to the Company.
5. As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.
6. Members/Proxies are requested to affix their signature on the Attendance/Admission Slip provided in the “Annual Report” and hand over the same at the venue of the meeting. Only Members/Proxies (Whose Proxy forms have already reached the Company) with the attendance slip will be admitted. All correspondence regarding Equity shares of the Company should be addressed to the Company's Registrar and Share Transfer Agents M/s. Cameo Corporate Services Ltd at “Subramanian Building” 5th Floor No.1, Club House Road, Chennai – 600 002.
7. A person can act as Proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
8. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail the benefits of easy liquidity, electronic transfer, savings in stamp duty, prevention of forgery, etc.

**Important note:** The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies towards service of notice /

documents including Annual Report can be sent through email to its members. To support this green initiative, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of Electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with M/s. Cameo Corporate Services Limited, whose address is given elsewhere in this Annual Report. Kindly ensure to update your fresh Email ID with the Depository / M/s. Cameo Corporate Services Limited, if you have changed the same.

9. Members holding shares in Dematerialized form are requested to intimate immediately all changes pertaining to their Bank details NECS / ECS, mandates, nominations, power of attorney, change of address / name etc., to their Depository Participant only and not to the Company's Registrar and Transfer Agents (RTA). Changes intimated to the Depository Participant will be automatically reflected in the Company's records which will help the Company and the RTA to provide efficient and better service to the Members. Members holding shares in physical form are requested to advise the above changes to the Company's RTA viz. M/s. Cameo Corporate Services Limited.
10. In terms of circulars issued by Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the RTA in the following cases viz. Transfer of Shares, Deletion of Name, Transmission of Shares and Transposition of Shares. Shareholders are requested to furnish copy of PAN card for all the above mentioned transactions.
11. Members desirous of any information as regards financial statement are requested to write to the Company at least 7 days before the meeting so as to enable the Management to keep the information ready.
12. The Notice is being sent to all the Members, whose names appeared in the Register of Members as on 05.07.2018

The Notice of the meeting is also posted on the website of the Company ([www.refex.co.in](http://www.refex.co.in))

- (a) The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2016 and Regulation 31 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically instead of casting their vote at the Meeting. Please note that the voting through electronic means is optional.
- (b) The voting through electronic means will commence on 28.07.2018 at 09.00 A.M. and will end on 30.07.2018 at 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned above.





- (c) The Company has appointed Mr. R. Muthukrishnan, Practicing Company Secretary, Membership No. FCS 6775, to act as the Scrutinizer for conducting the electronic voting process (including the Ballot form received from the members) who does not have access to the e- voting process in a fair and transparent manner
- (d) The facility for voting through Ballot paper has been made available at the AGM and the members attending the meeting who have not cast their vote by remote e - voting shall be able to exercise their right at the meeting through ballot paper.
- (e) The members who have cast their vote by remote e- voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (f) The procedure and instructions for the voting through electronic means is, as follows:

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 28.07.2018 at 09.00 am and ends 30.07.2018 on at 5:00 pm. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24.07.2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (iv) Click on Shareholders / Members
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN Of Reflex Industries Limited on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their votes using CDSL's Mobile App M- Voting available for android based mobiles. The M-Voting app can be downloaded from the Google play store, Apple and windows phone users can download the app from the App store and the windows phone respectively. Please follow the Instructions as prompted by the mobile app while voting on your mobile.

**(xx) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



In case you have any Queries or issues regarding e voting, you may refer the frequently asked question (“FAQs”) and e voting manual available @ [www.evotingindia.com](http://www.evotingindia.com), under help section or write a email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

In case of members receiving the physical copy:

- (a) Please follow all steps from Serial No. (i) to Serial No (ix) above to cast vote.
- (b) The voting period begins on 28.07.2018 at 9.00 am and ends on 30.07.2018 at 5:00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24.07.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- © Any person, who acquires shares of the Company and becomes member of the Company after despatch of the notice and holding shares on the cut-off date i.e 24.07.2018, the may obtain the login ID by sending an email to [investor@cameoindia.com](mailto:investor@cameoindia.com), by mentioning their Folio No./DP ID and Client ID. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.
- (d) A person who is not a member as on the cut – off date should treat this notice for information purpose only.
- (e) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and remote e-voting user manual for members available at the help section of [www.evotingindia.com](http://www.evotingindia.com) under or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (f) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (g) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company, viz., <http://www.refex.co.in/> and on the website of CDSL e-Voting immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited & NSE India Limited, Mumbai.



13. Pursuant to the Regulation 36(3) of SEBI ( Listing Obligation and Disclosure Regulations ) 2015 the brief profile of Directors eligible for Re- Appointment wide Item Nos. 2 is given below

Particulars	Mr. T. Anil Jain
DIN	00181960
Date of Birth	13/09/1976
Date of Appointment	13/09/2002
Qualifications	B.Com
Experience in specific functional areas	<p>Played a pivotal role in navigating the company over the last 15 years by overcoming the business challenges, financial problems and other operational difficulties. He has sound knowledge on both segments of the company namely:</p> <p>i) refilling of refrigerant gases</p> <p>ii) solar power generations the company under his guidance has shown improvements in term of turnover and profits</p>
Relationship with any director(s) of the company	None
Directorship held in other listed entities	Nil
Membership /chairmanship of committees of listed entities	<p>Refex Industries Ltd</p> <ul style="list-style-type: none"> <li>•Audit committee-Member .</li> <li>•Stakeholder relationship committee-Member.</li> </ul>
Number of shares held in the company	19,57,796

**BY ORDER OF THE BOARD  
FOR REFEX INDUSTRIES LTD**

PLACE: Chennai  
DATE: 25.05.2018

**S. Gopalakrishnan**  
Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102**  
**OF THE COMPANIES ACT 2013**  
**ANNEXED TO THE NOTICE**

**ITEM NO: 3**

Pursuant to the recommendation of Nomination and Remuneration committee under Section 178[2] of the companies act 2013("the Act") and the SEBI ( Listing Obligation and Disclosure Requirement) Regulation Act 2015, the Board of Directors , have pursuant to the resolution adopted on February 14,2018 ,appointed Mrs. Jamuna Ravikumar (DIN 08009308) as an Additional Women Independent Director of the Company pursuant to Sections 149, 152, 161 read with schedule IV and other applicable provisions of the Act As an Additional Director she holds office upto the date of this AGM. In terms Section 149 and other applicable provisions of the Act and the rules made there under, the proposed resolution seeks the approval of the members for the appointment of Mrs.Jamuna Ravikumar as women independent director for a term of three consecutive years from the conclusion of this AGM till the conclusion of 21st AGM, not liable to retire by rotation.

The company has received consent from Mrs. Jamuna Ravikumar to act as a director and declaration to the effect that she meets to the criteria of independence as provided in sub Section 6 of Section 149 of the Act and also a declaration under Section 164 of the Act, that she is not disqualified from being appointed as a Director .

The company has a received a notice in writing under the provisions of Section 160 of the companies Act 2013 along with requisite deposit amount , from a member proposing the candidature of Mrs. Jamuna Ravikumar for the office of independent director , to be appointed as such under the provisions of Section 149 of the Act .

Mrs. Jamuna Ravikumar has been recommended for appointment as an independent director by the nomination and remuneration committee of the Board of Directors in terms of Section 178(2) of the Act and in the opinion of the Board . She is a person of integrity and possess the relevant expertise and experience. Further in the opinion of the Board of the Directors Mrs.Jamuna Ravikumar the independent director proposed to be appointed , fulfils the conditions specified in the Act and the rules made there under and she is independent of the management and her appointment as an independent director would be beneficial to the company , and this will enable the board to discharge its functions and duties efficiently .

A copy of the letter of appointment of Mrs. Jamuna Ravikumar as an independent director setting out the terms and conditions is available for inspection without any fee for the benefit of the members at the company's registered office during normal business hours.



## CONCERN OR INTEREST, FINANCIAL OR OTHERWISE OF DIRECTORS AND KEY MANAGERIAL PERSONNEL AND THEIR RELATIVES

Except Mrs. Jamuna Ravikumar the appointee, none of the directors / key managerial personnel of the company or their relatives is concerned or interested in the resolution. Other details as required under secretarial standard on general meeting (SS-2) and the SEBI (listing obligation and disclosure requirements) regulation 2015 are furnished separately below.

The Following are the details of Mrs. Jamuna Ravikumar (holding DIN 08009308), who is a Director

Age:	34 Years
Qualification details:	Master of Commerce from University of Madras
Experience:	3 years' experience in accounts and Finance line, six years' experience in ROC and Income tax filing and Secretarial matters.
Terms & conditions:	NA
Remuneration last drawn:	NA
Date of first appointment	NA
Shareholding details:	NIL
Relationship with other Directors/KMP :	NIL
Details of other Directorship, membership/ Chairmanship of other Boards	NIL

None of the directors and key managerial personnel of the company or their respective relatives are concerned or interested in the resolution set out at item No.3

The Board recommends the resolution set forth in the notice for approval by the shareholders.

### ITEM NO:4

The company has received a letter dated 8-12-2017 from T. Jagdish Jain falling under the category of promoters/promoter group of the company, requesting to reclassify him as a public shareholder

The applicant holds 7395 equity shares of the company constituting 0.0478% of the issued and paid-up share capital of the company. He does not exercise any control over the company. He is in no way connected with the management of the affairs of the company. He neither has representation on the Board of Directors of the company, nor holds any key managerial personnel position in the company. The company has also not entered into any shareholders agreement with him. Further he does not have any special rights as to voting power or control of the company, nor any special information rights.

Based on the letter received from the applicant, the matter was discussed by the Board of Directors of the company at their meeting held on 14th February 2018 and Board decided to get the applicant reclassified from the category 'promoter' to 'public' with the approval of the stock exchange.

A reclassification may also be permitted by the stock exchange under main listing regulation NO.31A (2) itself read with the additional conditions specified under regulation 31A(7) of the listing regulations. The sum total of conditions under the two sub regulations are as follows:

1. A request for reclassification is to be made by the concerned listed entity or by the concerned shareholder to stock exchanges.
2. All relevant evidence to be provided.
3. Reclassified promoter shall not directly or indirectly exercise control over the affairs of the entity.
4. Increase in the level of public shareholding pursuant to reclassification of promoter shall not be considered towards achieving compliance with minimum public shareholding requirement under rules 19A of the securities contract (Regulations) rules 1957.
5. The event of reclassification shall be disclosed to the stock exchanges as a material event in accordance with the provisions of the listing regulations.

All the conditions specified under regulation 31A (2) and 31A (7) of listing regulation have been duly complied with by the company.

No director, key managerial personnel or their relatives are in any way concerned or interested in the resolution No 04 other than T.Jagdish Jain the applicant, T.Anil Jain and Seema Jain applicant's relatives.

The Board recommends the resolution set forth in the notice for approval by the shareholders.

#### **ITEM NO:5**

The company has received a letter dated 8-12-2017 from Mrs. Seema Jain falling under the category of promoters/promoter group of the company, requesting to reclassify her as a public shareholder

The applicants holds 84117 equity shares of the company constituting 0.5436% of the issued and paid-up share capital of the company. She does not exercise any control over the company. She is in no way connected with the management of the affairs of the company. She neither have representation on the Board of Directors of the company, nor holds any key managerial personnel position in the company. The company has also not entered into any shareholders agreement with



her. Further she does not have any special rights as to voting power or control of the company, nor any special information rights .

Based on the letter received from the applicant , the matter was discussed by the Board of Directors of the company at their meeting held on 14th February 2018 and Board decided to get the applicant reclassified from the category ' promoter' to 'public' with the approval of the stock exchange .

A reclassification may also be permitted by the stock exchange under main listing regulation No.31A (2) itself read with the additional conditions specified under regulation 31A(7) of the listing regulations. The sum total of conditions under the two sub regulations are as follows:

1. A request for reclassification is to be made by the concerned listed entity or by the concerned shareholder to stock exchanges .
2. All relevant evidence to be provided .
3. Reclassified promoter shall not directly or indirectly exercise control over the affairs of the entity.
4. Increase in the level of public shareholding pursuant to reclassification of promoter shall not be considered towards achieving compliance with minimum public shareholding requirement under rules 19A of the securities contract (Regulations ) rules 1957.
5. The event of reclassification shall be disclosed to the stock exchanges as a material event in accordance with the provisions of the listing regulations .

All the conditions specified under regulation 31A(2) and 31A(7) of listing regulation have been duly complied with by the company .

No director, key managerial personnel or their relatives are in any way concerned or interested in the resolution No 05 other than T. Jagdish Jain the applicant, T.Anil Jain and Seema Jain applicant 's relatives.

The Board recommends the resolution set forth in the notice for approval by the shareholders.

#### **ITEM NO: 6**

In terms of provisions of section 186 of the Companies Act 2013 where giving of any loans or guarantee or providing Security or the acquisition of Securities exceeds sixty percent of the aggregate of the paid up capital and free reserves and Securities premium account or Hundred percent of its free Reserves and securities premium account, whichever is more, prior approval of the shareholders by means of a special resolution shall be necessary.

At present the company is permitted to give loan, issue guarantee, provide security or acquire securities of the body corporate upto Rs. 6.68 crores.

Taking into account the future requirements of business and to ensure company's funding obligation towards group entities and other corporates. It is proposed to obtain the shareholders' approval up to an amount of Rs 200 Crores which as on date is higher than the limits specified under Section 186 of the Act.

None of the directors and key managerial personnel of the company or their respective relatives are concerned or interested in the resolution set out at item No.6

The board of directors commends the resolution for the approval of the members as a special resolution.

**By Order of the Board  
For Reflex Industries Limited**

Place: Chennai  
Date: 25.05.2018

**S.Gopalakrishnan**  
Company Secretary





## **DIRECTORS REPORT**

### **To the Members,**

Your Directors have great pleasure in presenting the Sixteenth Annual Report of your Company together with the Audited Statement of Accounts for the year ended March 31, 2018.

### **FINANCIAL PERFORMANCE**

The key financial parameters for the period under review are as follows.

**(Rs. In Lakhs)**

Description	Standalone Results		Consolidated Result	
	2017-18	2016-17	2017-18	2016-17
Turnover	7685.83	3771.82	7685.83	3771.82
Other Income	204.12	168.97	204.12	168.97
Total Income	7889.95	3940.79	7889.95	3940.79
Expenditure (other than Tax)	7716.12	3887.47	7716.64	3888.16
Exceptional Items	-	-	-	-
Profit before tax	173.83	53.32	173.31	52.63
Provision for Income Tax	-	-	-	-
Provision for deferred tax	(79.56)	7.01	(79.56)	7.01
Profit after Income Tax	94.27	46.31	93.75	45.62
Earnings Per Share (in Rs.)	0.61	0.30	0.61	0.29

During the year under review the Company achieved a turnover of Rs. 7685.83 Lakhs as against the previous year figure Rs. 3771.82 Lakhs showing an increase in the turnover by 104%. In addition earnings from other income increased by Rs.35.15 Lakhs. As a result the Company made a net profit of Rs. 94.27 Lakhs. Consequently the net worth of the Company increased by the amount of profit made during the year and stands at Rs. 1114.13 Lakhs.

### **DIVIDEND**

In order to conserve the resources of the Company your Board has not recommended any dividend for the year ended under review and has transferred the entire amount of profit to the General Reserves.

### **COMMITTEES OF THE BOARD:**

The details of the Board's Committees – The Audit Committee, The Nomination & Remuneration Committee and The Stakeholders' Relationship Committee have been disclosed separately in the Corporate Governance Report which is annexed to and forms part of this Annual Report.

### **EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

No material changes and commitments have occurred after the close of the year till the date of this report which affects the financial position of the Company.



**CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

There are no changes in the nature of business of the Company during the financial year under review.

**BOARD MEETINGS:**

The Board during the Financial Year 2017- 2018 met four times i.e. 26.05.2017, 31.08.2017, 13.12.2017 and 14.02.2018.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As per Article 35 of the Articles of Association of the Company, Shri. T. Anil Jain, Director retires by rotation in the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board has recommended his re-election. A resolution is proposed for his re-appointment in the notice.

The board of Directors at its meeting held on February 14th 2018 appointed Mrs. Jamuna Ravikumar, as an additional director of the company to hold office upto the date of the forth coming AGM of the company. In according with the section 149 and other applicable provisions of the companies act, 2013. Mrs. Jamuna Ravikumar is seeking appointment as independent Director for a term of 3 consecutive years upto the conclusion of 19th AGM to be held in the year 2021 for which a resolution is in place vide Sl. No. 3 of the Notice.

The Independent Directors of the Company has submitted a declaration under Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) of the Act and there has been no changes in the circumstances which may affect their status as Independent Director during the year.

During the year, the Non-Executive Director of the Company had no pecuniary relationship or transaction with the Company, other than setting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are Mr . T. Anil Jain , Managing Director, Mrs. Uthayakumar Lalitha, Chief Financial Officer and Mr. Gopalakrishnan Srinivasan, Company Secretary. There has been no change in the Key Managerial Personnel during the year.

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received necessary declaration from all the Independent Directors i.e., Sri. D. Hem Senthil Raj and Smt. Jamuna Ravikumar under Section 149(7) of the Companies Act, 2013.

The said Independent Directors of the Company meet the criteria of their Independence as laid down under Section 149(6) of the Companies Act, 2013.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;



- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) 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.

### **CONSOLIDATED FINANCIAL STATEMENTS**

Your Directors have pleasure in enclosing the consolidated Financial Statements in addition to the standalone financial statements pursuant to Section 129 (3) of the Companies Act, 2013 (Act) and SEBI Listing Regulations and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

### **INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES**

M/s. Vituza Solar Energy Limited continues to be the wholly owned subsidiary of your Company. The necessary AOC – 1 as required under Sub Section (3) of Section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 is annexed to the Directors' Report as Annexure No 4

### **EXTRACT OF ANNUAL RETURN:**

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Extract of Annual Return in Form MGT9 is annexed to this Report. (Annexure 1)

### **AUDITORS**

M. Krishnakumar & Associates Chartered Accountant (Membership No 203929) was appointed as statutory auditor of your Company in the AGM held on 26th September 2017 for a term of three consecutive years. As per the provisions of section 133 of the Companies Act 2013 the appointment of Auditors is required to be ratified by members at every AGM.

In accordance with the Companies Amendment Act 2017 enforced on 7th May 2018 by the Ministry of Corporate Affairs, the appointment of statutory auditors is not required to be ratified at every AGM.

The notes in the Financial statement referred to in the auditor report are self-explanatory and do not call for any further comments.

The reply to qualification in auditor's report is given below.

**Provisions for Liability towards Gratuity**

**Sl. No Auditors Qualification**

The Company is not providing for liability for gratuity as per actuarial valuation, which is not in accordance of the Accounting Standard on Provision for Gratuity (AS-15) (Refer Note 2 (i) forming part of the Financial Statements) issued by The Institute of Chartered Accountants of India and the impact of which is unascertainable.

**Management Reply**

Provision towards Gratuity for the year has not been made and the Board is of the Opinion that the same will not affect the result of the Company significantly.

**SECRETARIAL AUDIT:**

In accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. R. Muthukrishnan, (FCS 6775) Practicing Company Secretary, Chennai, to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as 'Annexure 2'.

**Reply to the observation of Secretarial Auditor's Report:**

1. As regards delayed filing of forms with ROC as required under the Companies Act 2013 the company shall ensure that such delays do not recur.
2. As regard the amount advanced to an entity in which a Director is Interested, the Board is of the opinion that it is in nature of advance for a proposed commercial transaction and shall not fall under the purview of Section 185 of the Act.
3. In view of the aforesaid explanations, the Board is of the opinion that the said amount is in the nature of advances and Section 186 of the Companies Act 2013 shall not apply.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

**(A) Conservation of energy & Technology absorption:**

The Company does not engage in manufacturing activity involving energy intensive processes. However, the Company has taken sufficient steps towards general energy saving techniques and conservation.

Given the Nature of Process employed by the Company, there is no technology absorption involved.

**(B) Foreign Exchange Earnings and Outgo:**

Foreign Exchange Earnings = INR 1,07,32,321

Foreign Exchange Outgo = INR 9,62,80,961

**PUBLIC DEPOSITS:**

The Company did not invite or accept any deposits from the Public under Sec 73 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS: NIL**



## **INTERNAL FINANCIAL CONTROLS**

The Company has appointed an Internal Auditor, a Chartered Accountant, to ensure the effective functioning of internal financial controls and check whether the financial transaction flow in the organization is being done based on the approved policies of the Company. The Management based on the internal audit observations gives their comments. Further, the Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Vigil Mechanism, Material Subsidiary Policy for ensuring the orderly and efficient conduct of its business, for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

Pursuant to the provisions of Section 177 (9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI Listing Regulations, 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.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statement (Please refer to Notes 28.1.b under Note to the Standalone Financial Statement).

## **RISK MANAGEMENT POLICY:**

The Company has a Risk Management Committee in place although it is not applicable to it both under the SEBI LODR Regulations 2015 and the Companies Act, 2013. However, the Company has an adequate Risk Management Policy commensurate with its size and operation. Risk Management includes identifying types of risk and its assessment, risk handling, monitoring and reporting.

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

At Refex , Corporate Social Responsibility has been integral part of the business since it's inception . Refex believes in making a difference to the lives of millions of people who are under privileged. It promotes Social and Economic inclusion by ensuring that marginalised communities have equal access to health care services, educational opportunities and proper civic infrastructures. Corporate Social responsibility is embedded in the Refex ethos going hand in hand with the core business of the Company.

During the year the Company has voluntarily made the following contributions as a measure to fulfill the obligations of Corporate Social Responsibility

1. A sum of Rs 3,78,540/- was paid to the Stella Maris college for the purpose of providing financial assistance to few under privileged students of the college in order to pursue their education.
2. A sum of Rs 1,00,000/- was paid to JITO Chennai chapter as Donation for Gujarat & Rajasthan flood relief.

**RELATED PARTY TRANSACTIONS:**

All transactions entered into by the Company with its related parties during the year were in ordinary course of business and on an arm's length basis and did not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions and accordingly, the disclosure of Related Party Transactions in Form AOC 2 is not applicable. However, names of Related Parties and details of transactions with them have been included in Note no. 26.1.b to the financial statements provided in the Annual Report.

**DISCLOSURE ABOUT COST AUDIT:**

As per Companies (Cost Records and Audit) Amendments Rules, 2014 dated 31st December, 2014 issued by the Ministry of Corporate Affairs, the Company is not subjected to Cost Audit.

**PARTICULARS OF EMPLOYEES:**

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Act, the Rules framed there under is given in Annexure-3 to the Board Report as well as under Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013**

The Company has been employing Women employees within the premises. The Company has in place an Anti-Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal ) Act 2013. Internal Complaint Committee has been set up to redress complaints received regularly. There was no complaint received from any Women employee during the financial year 2017-18 and hence no complaint is outstanding as on 31.03.2018 for redressal.

**LISTING WITH STOCK EXCHANGES:**

The Equity Shares of the Company are listed on the following Stock Exchanges:

- i. BSE Limited (BSE)  
No. 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001.
- ii. National Stock Exchange of India Limited (NSE)  
Exchange Plaza, BandraKurla Complex, Bandra East, Mumbai- 400 051.

The Stock Codes allotted by these Stock Exchanges are as under:

Name	Code
BSE Limited	532884
National Stock Exchange of India Limited	REFEX



**The Company has paid listing fees to the stock exchanges for the year 2017-18**

## **CORPORATE GOVERNANCE**

A detailed report on Corporate Governance pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the BSE and NSE along with the Auditors' certificate on Compliance with the mandatory provisions on Corporate Governance is given as a separate statement in the Annual Report.

The Managing Director has issued necessary certificate to the Board in terms of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended 31 March 2018.

## **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS**

Pursuant to the provisions of the Companies Act of 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 ("The Listing Regulation") the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of various Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors covering the various aspects of the Board's functioning such as adequacy of the composition of the Board and the Committees, Board's culture execution and performance of such duties, obligations of independence, governance, ethics and values adhering to corporate governance norms, inter personal relationships, attendance and contribution at meetings etc.

A separate exercise was carried out to evaluate the performance of individual Directors, including the chairperson of the Board who were evaluated on parameters such as participation and contribution, commitment including guidance provided to the senior management outside the Board, and Committee meetings, effective deployment of knowledge and expertise, effective management of relationship with various stakeholders, independence of behaviour and judgement etc. The Performance evaluations of Independent Directors were carried out by the entire Board. The performance evaluation of the Chairperson and Managing Director was carried out by the independent Directors. The Board reviews the evaluation results as collated by Nomination and Remuneration Committee.

## **MEETING OF THE INDEPENDENT DIRECTORS**

The Independent Director of your Company met once during the year without the presence of Non-Independent Director and the members of the Management. The meeting was conducted in an informal and Flexible manner to enable the Independent Directors to Inter alia discuss matters pertaining to review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company after taking into account the views of the executive and Non-Executive Directors assess the quality, quantity and timeliness of the flow of the information between Company Management and the Board that as necessitated the Board to effectively and reasonably perform their duties.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the BSE and NSE for the year under review is given as a separate statement in the Annual Report.

## INSURANCE

The assets of the Company are adequately insured.

## INDUSTRIAL RELATIONS

Your Company's Industrial relations continues to be harmonious and cordial.

## ACKNOWLEDGEMENTS:

Your Directors gratefully acknowledge the excellent support and co – operation extended by all the stakeholders more particularly Bankers, Shareholders, Customers, dealers, regulatory and govt. authorities.

Your Directors also wish to place on record their appreciation of the contribution made by the members of the management team and the employees across all levels for the good work put in, during the year under review.

**For and on behalf of the Board**

Place: Chennai

Date: 25.05.2018

**T. Anil Jain**

Managing Director

DIN: 00181960

Annexure Number	Details of Annexure
I.	Form MGT 9
II.	Secretarial Audit Report Form MGT - 3
III.	Ratio of Remuneration
IV.	Form AOC – 1



## ANNEXURE I

### Form No. MGT 9

**Extract of Annual Return as on the Financial Year Ended on 31/03/2018  
[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  | - L45200TN2002PLC049601                                     |
| ii. Registration Date   | - 13/09/2002  |
| iii. Name of the Company  | - Refex Industries Limited                                  |
| iv. Category / Sub-Category of the Company                                      | - Company Limited by shares / Indian Non-Government Company |
| v. Address of the Registered office and contact details                         | - No. 20 Mooker Nallamuthu Street,<br>Chennai - 600001      |
| vi. Whether listed Company  | - Yes / No  |
| vii. Name, Address and Contact details of Registrar and Transfer Agent, if any: |   |

**CAMEO Corporate Services Limited,**  
"Subramanian Building "V Floor,  
1, Club House Road,  
Chennai – 600 002

#### 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	Solar Power	35105	16.38
2	Refrigerants Gases	20111	13.11
3	Solar Accessories	28150	12.57
4	Sales – Service*		57.94

\*No NIC code is available for the sales-service

#### 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	Vituza Solar Energy Limited	U40300TN2014PLC098629	Subsidiary	100%	Sec. 2(87) (ii)



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

For the Period From 01-Apr-2017 To 31-Mar-2018										
Category Code	Category of Shareholder	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	
<b>A.</b>	<b>Shareholding of promoter and promoter group</b>									
1.	Indian									
a.	Individuals/ hindu undivided family	2425897	0	2425897	15.6760	2301514	0	2301514	14.8722	-0.8037
b.	Central government / state government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Bodies corporate	2083411	0	2083411	13.4629	2083411	0	2083411	13.4629	0.0000
d.	Financial institutions / banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Any other Directors and their relatives	491052	0	491052	3.1731	491052	0	491052	3.1731	0.0000
		<b>491052</b>	<b>0</b>	<b>491052</b>	<b>3.1731</b>	<b>491052</b>	<b>0</b>	<b>491052</b>	<b>3.1731</b>	<b>0.0000</b>
	<b>Sub - total (a)(1)</b>	<b>5000360</b>	<b>0</b>	<b>5000360</b>	<b>32.3121</b>	<b>4875977</b>	<b>0</b>	<b>4875977</b>	<b>31.5083</b>	<b>-0.8037</b>
2.	Foreign									
a.	Individuals (non-resident individuals/ foreign individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	Bodies corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Qualified foreign investor	0	0	0	0.0000	0	0	0	0.0000	0.0000



e.	Any other									
	<b>Sub - total (a)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>Total share holding of promoter and promoter group (A) = (A) (1)+(a)(2)</b>	<b>5000360</b>	<b>0</b>	<b>5000360</b>	<b>32.3121</b>	<b>4875977</b>	<b>0</b>	<b>4875977</b>	<b>31.5083</b>	<b>-0.8037</b>
<b>B.</b>	<b>Public shareholding</b>									
1.	Institutions									
a.	Mutual funds/uti	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	Financial institutions/ banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	Central government/state government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Venture capital funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	Insurance companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	Foreign institutional investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	Foreign venture capital investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	Qualified foreign investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	Any other									
	<b>Sub - total (b)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
2.	Non-institutions									
a.	Bodies corporate	2091600	0	2091600	13.5158	1315658	0	1315658	8.5017	-5.0141
b.	Individuals - I individual shareholders holding nominal share capital upto Rs. 1 lakh	4675762	187	4675949	30.2158	5143562	1797	5145359	33.2491	3.0333

	li individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3167508	0	3167508	20.4683	3368146	0	3368146	21.7648	1.2965
c.	Qualified foreign investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	Any other Clearing members	111759	0	111759	0.7221	33159	0	33159	0.2142	-0.5079
	Foreign nationals	0	1200	1200	0.0077	0	1200	1200	0.0077	0.0000
	Hindu undivided families	321352	0	321352	2.0765	467973	0	467973	3.0240	0.9474
	Non resident Indians	105448	0	105448	0.6814	267704	0	267704	1.7298	1.0484
		<b>538559</b>	<b>1200</b>	<b>539759</b>	<b>3.4879</b>	<b>768836</b>	<b>1200</b>	<b>770036</b>	<b>4.9759</b>	<b>1.4880</b>
	<b>Sub - total (B)(2)</b>	<b>10473429</b>	<b>1387</b>	<b>10474816</b>	<b>67.6878</b>	<b>10596202</b>	<b>2997</b>	<b>10599199</b>	<b>68.4916</b>	<b>0.8037</b>
	<b>Total public shareholding (B) = (B)(1)+(B)(2)</b>	<b>10473429</b>	<b>1387</b>	<b>10474816</b>	<b>67.6878</b>	<b>10596202</b>	<b>2997</b>	<b>10599199</b>	<b>68.4916</b>	<b>0.8037</b>
	<b>Total (A)+(B)</b>	<b>15473789</b>	<b>1387</b>	<b>15475176</b>	<b>100.0000</b>	<b>15472179</b>	<b>2997</b>	<b>15475176</b>	<b>100.0000</b>	<b>0.0000</b>
<b>C.</b>	<b>Shares held by custodians and against which depository receipts have been issued</b>									
	Promoter and promoter group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
	<b>Total custodian (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
	<b>Grand total (A)+(B)+(C)</b>	<b>5473789</b>	<b>1387</b>	<b>15475176</b>	<b>100.0000</b>	<b>15472179</b>	<b>2997</b>	<b>15475176</b>	<b>100.0000</b>	<b>0.0000</b>



## 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 shareholding during the year
		No of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Sherisha Technologies (P) Limited	2083411	13.4628	0.0000	2083411	13.4628	0.0000	0.0000
2	Anil Jain T	1957796	12.6511	8.7236	1957796	12.6511	8.7236	0.0000
3	Ugamdevi Jain	419052	2.7078	0.0000	419052	2.7078	0.0000	0.0000
4	Tarachand Jain	252206	1.6297	0.0000	252206	1.6297	0.0000	0.0000
5	Seema Jain	208500	1.3473	0.0000	84117	0.5435	0.0000	-0.8037
6	Dimple Jain	72000	0.4652	0.0000	72000	0.4652	0.0000	0.0000
7	Jagdish Jain	7395	0.0477	0.0000	7395	0.0477	0.0000	0.0000

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

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Sherisha Technologies (P) Limited				
	At the beginning of the year 01-Apr-2017	1563264	10.1017	1563264	10.1017
	At the end of the Year 31-Mar-2018	1563264	10.1017	1563264	10.1017
	HAVING SAME PAN				

1	Sherisha Technologies Pvt. Ltd				
	At the beginning of the year 01-Apr-2017	520147	3.3611	520147	3.3611
	At the end of the Year 31-Mar-2018	520147	3.3611	520147	3.3611
2	ANIL JAIN T				
	At the beginning of the year 01-Apr-2017	1530252	9.8884	1530252	9.8884
	At the end of the Year 31-Mar-2018	1530252	9.8884	1530252	9.8884
	HAVING SAME PAN				
2	T.ANIL JAIN				
	At the beginning of the year 01-Apr-2017	427544	2.7627	427544	2.7627
	At the end of the Year 31-Mar-2018	427544	2.7627	427544	2.7627
3	UGAMDEVI JAIN				
	At the beginning of the year 01-Apr-2017	419052	2.7078	419052	2.7078
	At the end of the Year 31-Mar-2018	419052	2.7078	419052	2.7078
4	TARACHAND JAIN				
	At the beginning of the year 01-Apr-2017	252206	1.6297	252206	1.6297
	At the end of the Year 31-Mar-2018	252206	1.6297	252206	1.6297
5	SEEMA JAIN				
	At the beginning of the year 01-Apr-2017	208500	1.3473	208500	1.3473
	Sale 10-Nov-2017	-114383	0.7391	94117	0.6081
	Sale 17-Nov-2017	-10000	0.0646	84117	0.5435
	At the end of the Year 31-Mar-2018	84117	0.5435	84117	0.5435
6	DIMPLE JAIN				
	At the beginning of the year 01-Apr-2017	72000	0.4652	72000	0.4652
	At the end of the Year 31-Mar-2018	72000	0.4652	72000	0.4652
7	JAGDISH JAIN				
	At the beginning of the year 01-Apr-2017	7395	0.0477	7395	0.0477
	At the end of the Year 31-Mar-2018	7395	0.0477	7395	0.0477



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

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	ANGEL HOLDINGS PVT LTD				
	At the beginning of the year 01-Apr-2017	281725	1.8204	281725	1.8204
	Sale 27-Oct-2017	-24876	0.1607	256849	1.6597
	Sale 03-Nov-2017	-56849	0.3673	200000	1.2923
	Sale 10-Nov-2017	-21000	0.1357	179000	1.1566
	Sale 17-Nov-2017	-9000	0.0581	170000	1.0985
	Sale 01-Dec-2017	-10000	0.0646	160000	1.0339
	Sale 08-Dec-2017	-10000	0.0646	150000	0.9692
	At the end of the Year 31-Mar-2018	150000	0.9692	150000	0.9692
	HAVING SAME PAN				
1	ANGEL HOLDINGS PVT LTD				
	At the beginning of the year 01-Apr-2017	6450	0.0416	6450	0.0416
	Sale 27-Oct-2017	-6450	0.0416	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
2	TV18 BROADCAST LIMITED				
	At the beginning of the year 01-Apr-2017	275000	1.7770	275000	1.7770
	At the end of the Year 31-Mar-2018	275000	1.7770	275000	1.7770
3	RMP INFOTEC PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2017	200000	1.2923	200000	1.2923
	At the end of the Year 31-Mar-2018	200000	1.2923	200000	1.2923
4	WAY2WEALTH BROKERS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2017	157225	1.0159	157225	1.0159
	Purchase 14-Apr-2017	500	0.0032	157725	1.0192
	Sale 05-May-2017	-500	0.0032	157225	1.0159
	Sale 04-Aug-2017	-157225	1.0159	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				

4	WAY2WEALTH BROKERS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2017	144096	0.9311	144096	0.9311
	Sale 04-Aug-2017	-144096	0.9311	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
5	SHEIL ATULBHAI PATEL				
	At the beginning of the year 01-Apr-2017	140000	0.9046	140000	0.9046
	Sale 10-Nov-2017	-50000	0.3230	90000	0.5815
	At the end of the Year 31-Mar-2018	90000	0.5815	90000	0.5815
6	NISHA JAIN				
	At the beginning of the year 01-Apr-2017	133802	0.8646	133802	0.8646
	Sale 08-Sep-2017	-133802	0.8646	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				
6	NISHA JAIN				
	At the beginning of the year 01-Apr-2017	95740	0.6186	95740	0.6186
	Purchase 08-Sep-2017	133802	0.8646	229542	1.4832
	At the end of the Year 31-Mar-2018	229542	1.4832	229542	1.4832
7	SHREE NAMAN SECURITIES AND FINANCE PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2017	92500	0.5977	92500	0.5977
	Sale 07-Apr-2017	-92500	0.5977	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				
7	SHREE NAMAN SECURITIES & FINANCE PVT LTD				
	At the beginning of the year 01-Apr-2017	2	0.0000	2	0.0000
	Purchase 07-Apr-2017	92498	0.5977	92500	0.5977
	Sale 14-Apr-2017	-92500	0.5977	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
8	MARWADI SHARES AND FINANCE LTD.				
	At the beginning of the year 01-Apr-2017	76850	0.4966	76850	0.4966
	Sale 14-Apr-2017	-3700	0.0239	73150	0.4726
	Sale 21-Apr-2017	-300	0.0019	72850	0.4707



	Sale 12-May-2017	-100	0.0006	72750	0.4701
	Sale 19-May-2017	-3000	0.0193	69750	0.4507
	Sale 26-May-2017	-69000	0.4458	750	0.0048
	Purchase 23-Jun-2017	200	0.0012	950	0.0061
	Purchase 30-Jun-2017	650	0.0042	1600	0.0103
	Sale 07-Jul-2017	-1600	0.0103	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				
8	MARWADI SHARES AND FINANCE LTD.				
	At the beginning of the year 01-Apr-2017	38592	0.2493	38592	0.2493
	Purchase 14-Apr-2017	2350	0.0151	40942	0.2645
	Sale 21-Apr-2017	-4450	0.0287	36492	0.2358
	Sale 28-Apr-2017	-1000	0.0064	35492	0.2293
	Sale 05-May-2017	-1970	0.0127	33522	0.2166
	Purchase 12-May-2017	98	0.0006	33620	0.2172
	Purchase 26-May-2017	32	0.0002	33652	0.2174
	Sale 02-Jun-2017	-4	0.0000	33648	0.2174
	Purchase 09-Jun-2017	1250	0.0080	34898	0.2255
	Purchase 16-Jun-2017	200	0.0012	35098	0.2268
	Sale 23-Jun-2017	-1400	0.0090	33698	0.2177
	Purchase 30-Jun-2017	238	0.0015	33936	0.2192
	Sale 07-Jul-2017	-33936	0.2192	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				
8	MARWADI SHARES AND FINANCE LTD.				
	At the beginning of the year 01-Apr-2017	1300	0.0084	1300	0.0084
	Sale 07-Apr-2017	-1200	0.0077	100	0.0006
	Sale 14-Apr-2017	-100	0.0006	0	0.0000
	Purchase 12-May-2017	100	0.0006	100	0.0006
	Purchase 19-May-2017	1900	0.0122	2000	0.0129
	Sale 26-May-2017	-2000	0.0129	0	0.0000
	Purchase 21-Jul-2017	500	0.0032	500	0.0032
	Sale 28-Jul-2017	-500	0.0032	0	0.0000
	Purchase 08-Sep-2017	1518	0.0098	1518	0.0098



	Sale 15-Sep-2017	-1118	0.0072	400	0.0025
	Purchase 21-Sep-2017	100	0.0006	500	0.0032
	Purchase 22-Sep-2017	4450	0.0287	4950	0.0319
	Sale 29-Sep-2017	-4950	0.0319	0	0.0000
	Purchase 06-Oct-2017	300	0.0019	300	0.0019
	Sale 13-Oct-2017	-100	0.0006	200	0.0012
	Sale 20-Oct-2017	-200	0.0012	0	0.0000
	Purchase 27-Oct-2017	100	0.0006	100	0.0006
	Sale 31-Oct-2017	-100	0.0006	0	0.0000
	Purchase 03-Nov-2017	400	0.0025	400	0.0025
	Purchase 10-Nov-2017	100	0.0006	500	0.0032
	Purchase 17-Nov-2017	2500	0.0161	3000	0.0193
	Sale 24-Nov-2017	-3000	0.0193	0	0.0000
	Purchase 01-Dec-2017	3060	0.0197	3060	0.0197
	Sale 08-Dec-2017	-1258	0.0081	1802	0.0116
	Sale 15-Dec-2017	-1402	0.0090	400	0.0025
	Sale 22-Dec-2017	-400	0.0025	0	0.0000
	Purchase 12-Jan-2018	1100	0.0071	1100	0.0071
	Sale 19-Jan-2018	-1100	0.0071	0	0.0000
	Purchase 09-Mar-2018	223	0.0014	223	0.0014
	Purchase 16-Mar-2018	1027	0.0066	1250	0.0080
	Sale 23-Mar-2018	-1250	0.0080	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				
8	MARWADI SHARES AND FINANCE LTD.				
	At the beginning of the year 01-Apr-2017	100	0.0006	100	0.0006
	Sale 07-Apr-2017	-100	0.0006	0	0.0000
	Purchase 26-May-2017	13800	0.0891	13800	0.0891
	Purchase 07-Jul-2017	90636	0.5856	104436	0.6748
	Sale 14-Jul-2017	-300	0.0019	104136	0.6729
	Sale 21-Jul-2017	-1000	0.0064	103136	0.6664
	Sale 28-Jul-2017	-1848	0.0119	101288	0.6545
	Purchase 04-Aug-2017	40	0.0002	101328	0.6547
	Purchase 11-Aug-2017	1500	0.0096	102828	0.6644



	Sale 18-Aug-2017	-500	0.0032	102328	0.6612
	Sale 08-Sep-2017	-1206	0.0077	101122	0.6534
	Purchase 15-Sep-2017	150	0.0009	101272	0.6544
	Purchase 21-Sep-2017	19200	0.1240	120472	0.7784
	Sale 22-Sep-2017	-5000	0.0323	115472	0.7461
	Sale 29-Sep-2017	-101903	0.6584	13569	0.0876
	Sale 06-Oct-2017	-50	0.0003	13519	0.0873
	Purchase 13-Oct-2017	1249	0.0080	14768	0.0954
	Sale 20-Oct-2017	-949	0.0061	13819	0.0892
	Purchase 27-Oct-2017	5069	0.0327	18888	0.1220
	Sale 31-Oct-2017	-3154	0.0203	15734	0.1016
	Purchase 03-Nov-2017	6580	0.0425	22314	0.1441
	Purchase 10-Nov-2017	1800	0.0116	24114	0.1558
	Purchase 17-Nov-2017	700	0.0045	24814	0.1603
	Purchase 24-Nov-2017	3249	0.0209	28063	0.1813
	Sale 01-Dec-2017	-599	0.0038	27464	0.1774
	Sale 08-Dec-2017	-3477	0.0224	23987	0.1550
	Sale 15-Dec-2017	-1500	0.0096	22487	0.1453
	Purchase 22-Dec-2017	350	0.0022	22837	0.1475
	Purchase 29-Dec-2017	216	0.0013	23053	0.1489
	Sale 30-Dec-2017	-1000	0.0064	22053	0.1425
	Sale 05-Jan-2018	-825	0.0053	21228	0.1371
	Purchase 12-Jan-2018	827	0.0053	22055	0.1425
	Sale 19-Jan-2018	-3400	0.0219	18655	0.1205
	Purchase 25-Jan-2018	400	0.0025	19055	0.1231
	Purchase 02-Feb-2018	20810	0.1344	39865	0.2576
	Sale 09-Feb-2018	-11072	0.0715	28793	0.1860
	Purchase 16-Feb-2018	1500	0.0096	30293	0.1957
	Sale 23-Feb-2018	-46	0.0002	30247	0.1954
	Sale 09-Mar-2018	-223	0.0014	30024	0.1940
	Sale 16-Mar-2018	-4715	0.0304	25309	0.1635
	Sale 23-Mar-2018	-2600	0.0168	22709	0.1467
	Sale 30-Mar-2018	-2000	0.0129	20709	0.1338
	At the end of the Year 31-Mar-2018	20709	0.1338	20709	0.1338

9	SHAILA ATUL PATEL				
	At the beginning of the year 01-Apr-2017	76520	0.4944	76520	0.4944
	At the end of the Year 31-Mar-2018	76520	0.4944	76520	0.4944
10	HOOR DEVI ASRANI				
	At the beginning of the year 01-Apr-2017	71411	0.4614	71411	0.4614
	At the end of the Year 31-Mar-2018	71411	0.4614	71411	0.4614
	NEW TOP 10 AS ON (31-Mar-2018)				
11	WAY2WEALTH BROKERS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000
	Purchase 04-Aug-2017	301321	1.9471	301321	1.9471
	Sale 15-Dec-2017	-125000	0.8077	176321	1.1393
	At the end of the Year 31-Mar-2018	176321	1.1393	176321	1.1393
12	PRADEEP KUMAR JAIN				
	At the beginning of the year 01-Apr-2017	39092	0.2526	39092	0.2526
	Purchase 25-Aug-2017	32027	0.2069	71119	0.4595
	Purchase 01-Sep-2017	14680	0.0948	85799	0.5544
	Purchase 08-Sep-2017	58590	0.3786	144389	0.9330
	At the end of the Year 31-Mar-2018	144389	0.9330	144389	0.9330
	HAVING SAME PAN				
12	PRADEEP KUMAR JAIN				
	At the beginning of the year 01-Apr-2017	58590	0.3786	58590	0.3786
	Sale 08-Sep-2017	-58590	0.3786	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				
12	PRADEEP KUMAR JAIN				
	At the beginning of the year 01-Apr-2017	32027	0.2069	32027	0.2069
	Sale 25-Aug-2017	-32027	0.2069	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000
	HAVING SAME PAN				
12	PRADEEP KUMAR JAIN				
	At the beginning of the year 01-Apr-2017	14680	0.0948	14680	0.0948
	Sale 01-Sep-2017	-14680	0.0948	0	0.0000
	At the end of the Year 31-Mar-2018	0	0.0000	0	0.0000



13	RISSON VARGHESE KUTTATTI				
	At the beginning of the year 01-Apr-2017	42000	0.2714	42000	0.2714
	Purchase 07-Apr-2017	200	0.0012	42200	0.2726
	Purchase 15-Sep-2017	3000	0.0193	45200	0.2920
	Purchase 13-Oct-2017	9800	0.0633	55000	0.3554
	Purchase 27-Oct-2017	1000	0.0064	56000	0.3618
	Purchase 31-Oct-2017	500	0.0032	56500	0.3651
	Purchase 10-Nov-2017	3500	0.0226	60000	0.3877
	Purchase 24-Nov-2017	10000	0.0646	70000	0.4523
	Purchase 01-Dec-2017	500	0.0032	70500	0.4555
	Purchase 16-Feb-2018	500	0.0032	71000	0.4587
	Purchase 16-Mar-2018	1000	0.0064	72000	0.4652
	At the end of the Year 31-Mar-2018	72000	0.4652	72000	0.4652

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

Sl. No	Name of the Share holder	No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Anil Jain T				
	At the beginning of the year 01-Apr-2017	1957796	13.4628	1957796	13.4628
	At the end of the Year 31-Mar-2018	1957796	13.4628	1957796	13.4628
2	Dinesh Kumar Agarwal				
	At the beginning of the year 01-Apr-2017	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2018	Nil	Nil	Nil	Nil
3	S Gopalakrishnan				
	At the beginning of the year 01-Apr-2017	229	0.0014	229	0.0014
	At the end of the Year 31-Mar-2018	229	0.0014	229	0.0014
4	D Hem Senthil Raj				
	At the beginning of the year 01-Apr-2017	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2018	Nil	Nil	Nil	Nil
5	R Maheswari				
	At the beginning of the year 01-Apr-2017	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2018	Nil	Nil	Nil	Nil
6	Jamuna				
	At the beginning of the year 01-Apr-2017	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2018	Nil	Nil	Nil	Nil
7	U Lalitha				
	At the beginning of the year 01-Apr-2016	Nil	Nil	Nil	Nil
	At the end of the Year 31-Mar-2017	Nil	Nil	Nil	Nil

**V. Indebtedness:**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial year:</b>				
i. Principal Amount	-	34,95,27,017	-	34,95,27,017
ii. Interest due but not paid	-	3,45,44,355	-	-
iii. Interest accrued but not due	-	-	-	-
<b>Total (I+II+III)</b>	-	<b>38,40,71,372</b>	-	<b>34,95,27,017</b>
<b>Change in Indebtedness during the Financial year</b>				
• Addition	40,13,197	58,39,004	-	98,52,201
• Reduction	2,07,450	87,889	-	2,95,339
<b>Net Change</b>	<b>38,05,747</b>	<b>57,51,115</b>	-	<b>95,56,862</b>
<b>Indebtedness at the end of the Financial year:</b>				
i. Principal Amount	33,95,901	35,45,62,760	-	35,79,58,661
ii. Interest due but not paid	-	5,41,40,253	-	5,41,40,253
iii. Interest accrued but not due	<b>4,09,846</b>	<b>6,30,772</b>	-	<b>10,40,618</b>
<b>Total (I+ II+ III)</b>	<b>38,05,747</b>	<b>40,93,33,785</b>	-	<b>41,31,39,532</b>

**V REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD T. Anil Jain	Total Amount Rs. in lakhs
<b>1.</b>	<b>Gross salary</b>		
	(i) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(ii) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(iii) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	13.50	13.50
<b>2</b>	<b>Stock Option</b>	NIL	NIL
<b>3</b>	<b>Sweat Equity</b>	NIL	NIL
<b>4</b>	<b>Commission</b>	NIL	NIL
<b>5</b>	<b>Others, please specify</b>	NIL	NIL
<b>6</b>	<b>Total (A)</b>	13.50	13.50
	<b>Overall Ceiling as per the Act</b>	84.00	84.00



## B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount in Rs.
		D. Hem Senthil Raj	R. Maheshwari	
	<b>Independent Directors</b>			
	Fee for attending Board Committee meetings			
	Commission	27,500	37,500	60,000
	<b>Total (1)</b>	27,500	37,500	60,000
	<b>Other Non-Executive Directors</b>			
	Fee for attending Board Committee meetings			
	Commission			
	Others, please specify	NIL		
	<b>Total (2)</b>	27,500	37,500	60,000
	<b>Total (B)=(1+2)</b>	27,500	37,500	60,000
	<b>Total Remuneration</b>	27,500	37,500	60,000

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

Sl. No.	Particulars of Remuneration	Key Managerial Personnel (in Rs.)			
		CEO	Company Secretary	CFO	Total
1	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	3,30,000	8,46,000	
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	3,30,000	8,46,000	

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding					





**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018.**

[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,**  
**REFEX INDUSTRIES LIMITED,**  
**(CIN: L45200TN2002PLC049601),**  
**NO. 20 MOOKER NALLAMUTHU STREET,**  
**CHENNAI-600001**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. REFEX INDUSTRIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s. REFEX INDUSTRIES LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, 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: The members are requested to read this report along with my letter of even date placed as Annexure 1 to this report

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. REFEX INDUSTRIES LIMITED** ("the Company") for the financial year ended on **31st MARCH, 2018** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
  - (c) 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;

- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I am informed that for the financial year ended on 31st March, 2018:

- (a) The company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of:
- (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 (SEBI Act):
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- (v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent applicable
- (vi) Secretarial Standards, SS1 and SS 2 issued by The Institute of Company Secretaries of India in respect of conduct of Board Meetings and General Meetings respectively.
- (vii) Based on the information, representations and explanation s provided by the offices of the company, there are no specific laws applicable to the company for which books, forms and other records needs to be maintained

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

- (i) The Listing Agreements entered into by the Company with following Stock Exchange(s),
1. National Stock Exchange of India Ltd
  2. Bombay Stock Exchange Ltd as per new listing agreements after applicability of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations .2015

During the period under review, to the best of my knowledge and belief and according to the information and explanation furnished to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations as placed in Annexure to this report



**I 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 which includes a woman director. 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.

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.

Majority decision is carried through and I have been informed that there were no dissenting Board members' views that were required to be captured and recorded as part of the minutes.

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

**I further report that** during the audit period the company has no instance of

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.

However, necessary special resolution has been passed by the members in pursuance to Section 180 of the Companies Act, 2013 for increase in borrowing powers upto Rs 1000 Crores in the Annual General Meeting held on 26th September 2017 and the provisions of Companies Act, 2013 has been complied with.

Place : Chennai  
Date : 25.05.2018

Signature:  
**R MUTHU KRISHNAN**  
FCS No 6775.  
C P No.:3033

### **LIST OF OBSERVATIONS**

1. ***The company has been generally filing the forms as required to be Companies Act, 2013 within the time prescribed in the said Act and rules made thereunder, but there has been 2 instances of filing of certain forms with delay and the company has paid the necessary additional fee for such filings***
2. ***(a) During the year the company has advanced Rs.3318.26 Lakhs to two entities in which a director of the company is interested within the meaning of clause (c) and (d) to Explanation to Section 185 (1) of the Companies Act,2013 and the amount outstanding at the end of the year stands at Rs.3423.36 Lakhs.***  
***(b) Similarly the company has issued guarantee for Rs.3748 Lakhs in respect of loan availed by a company in which a director of the company is interested within the meaning of clause (e) Explanation to Section 185 (1) of the Companies Act,2013***  
***The said advancing of loan / issue of guarantee by the company is in violation of Section 185 of the Companies Act, 2013***
3. ***The aggregate of loans and investments made by the company and outstanding as at 31st March 2018 as defined under Section 186 (2) of the Companies Act,2013 is in excess of limits specified therein, but the company has not obtained any prior approval from shareholders by way of special resolution as required under Section 186(3) of the Companies Act, 2013 for such excess.***



**Annexure A' to Secretarial Audit Report dated 25th May 2018**

To  
The Members  
**REFEX INDUSTRIES LIMITED**  
(CIN: L45200TN2002PLC049601),  
NO. 20 MOOKER NALLAMUTHU STREET,  
CHENNAI-600001.

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

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

Place : Chennai  
Date : 25.05.2018

Signature:  
**R MUTHU KRISHNAN**  
FCS No 6775.  
C P No.:3033

**ANNEXURE-III**  
**Ratio of Remuneration**

Particulars required to be disclosed under Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014		
Sl. No.	Particulars	2017-2018
(i)	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year	
	The Company is paying remuneration only to the Managing Director. Other directors are not paid. The ratio of Remuneration of Managing Director to the median Remuneration is 21 %	
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the Financial Year.	
	Mr. T. Anil Jain, Managing Director	50%
	Mr. S. Gopalakrishnan, Company Secretary	20%
	Mrs. U. Lalitha, Chief Financial Officer	35%
(iii)	The percentage increase in the median remuneration of employees in the Financial Year	60.50%
(iv)	The explanation on the relationship between average increase in remuneration and Company performance	
	Average increase in remuneration of employees in the Financial Year (in percentage)	74.50%
	Increase in Turnover (in percentage)	103%
	Increase in PAT / (decrease in loss) (in percentage)	103%
	Increase in EPS (in percentage)	103%



Comparison of the remuneration of Key Managerial Personnel against the performance of the Company

Particulars	Managing Director	Chief Financial Officer	Company Secretary
Remuneration (Rs. In lacs)	18	8.46	3.30
Revenue (Rs. In lacs)	7685	7685	7685
Remuneration (as % of Revenue)	0.23	0.11	0.04

(v) (a) Variations in the market capitalization of the Company as at the closing date of the current Financial year and the previous financial year

(Rs in Crores)

Market capitalization as at 31.03.2017

29.71

Market capitalization as at 31.03.2018

30.95

(v) (b) Variations in the Price Earning Ratio as at the closing date of the Current Financial Year and the previous Financial Year

Price Earning Ratio as at 31.03.2017

88 Times

Price Earning Ratio as at 31.03.2018

32 Times

Increase in Price Earning Ratio

56 Times

(v) (c) Percentage increase or decrease in the market quotation of shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of Listed Companies at the close of the current Financial Year and the previous Financial Year

Rate at which public issue was made

Rs 65

Market price as at 31.03.2018

Rs 19.75

Increase (decrease) in Market price %

Decrease by 70%



(vi)	The average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year, and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.	The average salary of the employees has decreased by 74.50%. The Managerial Remuneration are considered by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee as per the Remuneration policy for the directors, key managerial personnel and other employees based on their individual qualifications, experience and other parameters. Wherever required approval of the shareholders is also obtained
(vii)	Comparison of the each remuneration of the Key Managerial personnel against the performance of the Company	The remuneration of the Key Managerial personnel is given above in (iv). The turnover has increased by 104% and the profit after tax has increased by 103%
(viii)	The key parameters for any variable component of remuneration availed by the directors	The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination & Remuneration Committee as per the Remuneration policy for the Directors, Key Managerial personnel and other employees. Wherever required approval of shareholders are also obtained
(ix)	The ratio of remuneration of the highest paid director to that of the employees who are not directors but receiving remuneration in excess of the highest paid director during the year	N.A
(x)	Affirmation that the remuneration is as per the Remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration policy for the Directors, Key Managerial personnel and other employees of the Company



## **ANNEXURE - IV** **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.)

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the subsidiary	Vituza Solar Energy Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	There is no change in the reporting period with that of its Holding Co.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A
4.	Share capital	5,00,000
5.	Reserves & surplus	(4,12,461)
6.	Total assets	1,01,289
7.	Total Liabilities	1,01,289
8.	Investments	NIL
9.	Turnover	NIL
10.	Profit before taxation	(51,680)
11.	Provision for taxation	NIL
12.	Profit after taxation	(51,680)
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

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

- Names of subsidiaries which are yet to commence operations: The above mentioned subsidiary Company is yet to commence its operations.
- Names of subsidiaries which have been liquidated or sold during the year. N.A

#### **"Part B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures are not applicable since the Company does not have any Associates / Joint Venture – Nil

## **REPORT ON CORPORATE GOVERNANCE**

### **CORPORATE GOVERNANCE PHILOSOPHY**

The Company is committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The Company follows all the principles of Corporate Governance in its true spirit and at all times.

### **1. BOARD OF DIRECTORS:**

#### **a) COMPOSITION**

The Board consists of four (4) Directors as on 31st March 2018. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The day-to-day management of the Company is carried on by Mr. T. Anil Jain , the Managing Director of the Company.

Chairman and Managing Director	Mr. T. Anil Jain
Non-Executive and Independent Directors	<ul style="list-style-type: none"> <li>● Mr. Dinesh Kumar Agarwal ( Non-Executive)</li> <li>● Mr. D.Hem Senthil Raj (Independent Director)</li> <li>● Mrs. Jamuna Ravikumar (Independent Director)</li> </ul>

All Independent Directors possess the requisite qualifications and are very experienced in their own fields. They are not liable to retire by rotation. None of the Directors are members of more than ten Committees or chairman of more than five Committees in Public Limited Companies in which they are Directors. Necessary disclosures have been obtained from all the Directors regarding their Directorship which have been taken on record by the Board.

The names of the Directors and the details of other chairmanship/Directorship/Committee membership of each Director as on 31st march 2018 is given below :

Sl. No.	Name of Directors	Category	Number of Directorships in other companies		Number of Committee memberships in other companies	
			Chairman	Member	Chairman	Member
1	Mr. T. Anil Jain	Executive Director	1	0	0	1
2	Mr. Dinesh Kumar Agarwal	Non-Executive Director	0	0	0	0
3	Mr. Hem Senthil Raj	Non-Executive Independent Director	0	1	2	2
4	Mrs.Jamuna Ravikumar	Non-Executive Independent Director	0	1	0	2



**NOTE:**

- a. Other Directorships exclude Foreign Companies, Private Limited Company and Alternate Directorships.
- b. Only membership in Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationships Committee have been reckoned for other Committee memberships.

**c. Board Meetings and Attendance at Board Meetings**

The Board met four (4) times i.e., on 26.05.2017, 31.08.2017, 13.12.2017 and 14.02.2018 during this financial year 2017-18. The actual time gap between any two meetings was well within the maximum allowed period of 120 days.

The relevant details are as under:

S.NO	DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1	26.05.2017	4	4
2	31.08.2017	4	4
3	13.12.2017	4	4
4	14.02.2018	4	4

The Company places before the Board all those details as required under Regulation 17(7) of SEBI(Listing Obligations and Disclosure Requirements) Regulation,2015.

The dates for the Board Meetings are fixed after taking into account the convenience of all the Directors and sufficient notice is given to them. Detailed Agenda notes are sent to the Directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the Agenda are tabled at the meeting. The Chairman and the Managing Director appraised the Board on the overall performance of the Company at every Board Meeting. Legal issues, write-offs ,provisions, purchase and disposal of Capital Assets are all brought to the notice of the Board. The Board reviews performance, approves Capital Expenditures, sets the strategy the Company should follow and ensures financial stability. The Board takes on record the actions taken by the Company on all its decisions periodically.

The Board also takes on record the declaration made by the Company Secretary, Chairman and Managing Director and the Chief Financial Officer regarding compliances of all laws on a quarterly basis.

**d) Disclosure of relationship between Directors inter-se: NIL**

**e) Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM)**

S.No.	Name	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM
1	Mr. T. Anil Jain	4	4	Present
2	Mr. Dinesh Kumar Agarwal	4	4	Present
3	Mr. D. Hem Senthil Raj	4	4	Present
4	Mrs. R. Maheshwari	2*	2	Present
5	Mrs. Jamuna Ravikumar	-*	-	NA

\* Mrs R Maheshwari had vacated her office of Directorship W.e.f 01.11.2017 consequent to the notification issued by Ministry of Corporate affairs disqualifying her to act as as Director of any Company pursuant to section 164(2) of the Companies Act 2013. The number of Board meetings held up to the date of her vacation of office is Two. Mrs Jamuna Ravikumar was inducted as a Women Independent Director in the place of Mrs R Maheshwari on 14.02.2018. After her induction there was no Board Meeting up to 31.03.2018. Accordingly no question arises about her attendance in the Board Meetings held during FY 2017-18.

**2. AUDIT COMMITTEE**

The Audit Committee assists the Board in the dissemination of financial information and in overseeing the financial and accounting processes in the Company. The terms of reference of the audit Committee covers all matters specified in Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and also those specified in section 177 of the companies Act 2013. The terms of reference broadly include review of Internal Audit Reports and action taken reports, assessment of the efficacy of the Internal Control Systems/ Financial Reporting System and reviewing the adequacy of the Financial Policies and Practices followed by the Company. The Audit Committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions. A report on its finding relating to the periodical Financial Statements is sent to the Board. The Committee also recommends the appointment of Internal Auditor, Secretarial Auditor and Statutory Auditor. The Audit Committee takes notes of any default in the payments to creditors and shareholders. The Committee also looks into those matters specifically referred to it by the Board. The Audit Committee comprised of the following Directors for the year ended 31st March 2018.

S.No.	NAME OF THE MEMBERS	DESIGNATION
1	Shri. D. Hem Senthil Raj	Chairman
2	Shri. T. Anil Jain	Member
3	Mr. Dinesh Kumar Agarwal	Member
4	Smt. R. Maheshwari (upto 01.11.2017)	Member
5	Smt. Jamuna Ravikumar (W.e.f. 14.02.2018)	Member



As on 31st March 2018 the Committee comprised of two Independent Directors and one executive Director, and one Non-Executive Director all of whom are financially literate and have relevant finance/ audit exposure. The Chief Financial Officer and Internal Auditor are permanent invitees to the Meetings of the Committee. The other Directors are invited to attend the audit Committee meetings as and when required. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as per Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as mentioned above. The Chairman of the Audit Committee was present at the previous Annual General Meeting of the Company held on 26th September 2017. The Audit Committee met four times on 26.05.2017, 31.08.2017, 13.12.2017 and 14.02.2018 during the year 2017-18.

#### **Attendance of each Director at Audit Committee Meetings**

<b>Name of the Director</b>	<b>Designation</b>	<b>Number Of Audit Committee Meetings Attended</b>
Mr. D. Hem Senthil Raj	Chairman	4
Mr. T. Anil Jain	Member	4
Mr. Dinesh Kumar Agarwal	Member	4
Smt. R. Maheshwari (upto 01.11.2017)	Member	2
Mrs. Jamuna Ravikumar (W.e.f. 14.02.2018)	Member	-

The CFO has certified in terms of Regulation 17 (8) of SEBI(Listing Obligations and Disclosure Requirements) Regulation , 2015 to the Board and the financial statements present a true and fair view of the Company's affairs and are in compliance with Indian accounting standards.

### **3. NOMINATION AND REMUNERATION COMMITTEE**

- (I) Brief description of terms of reference are :
  - (A) Appointment of the Directors , and Key Managerial Personnel of the Company ; and
  - (B) Fixation of the remuneration of the Directors, Key Managerial Personnel and other employees of the Company

#### **(II) Composition of Committee**

<b>S.No.</b>	<b>Name of the Director</b>	<b>Designation</b>
1	Mr.D. Hem Senthil Raj	Chairman
2	Mr. Dinesh Kumar Agarwal	Member
3	Mrs. R. Maheshwari (upto 01.11.2017)	Member
4	Mrs. Jamuna Ravikumar (W.e.f. 14.02.2018)	Member

This Committee recommends the appointment/ reappointment of executive Directors and the appointments of employees from the level of Vice President and above along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the candidate's track record, his/her potential individual performance, the market trends and scales prevailing in the similar industry. The Nomination and Remuneration Committee comprises of Non-Executive and Independent Directors. Mr. D. Hem Senthil Raj is the Chairman of the Committee; Mr. Dinesh Kumar Agarwal and Mrs. Jamuna Ravikumar are the other members. The Company Secretary is the Secretary to the Committee. During the financial year 2017-18 the Committee met twice in connection with the Re-appointment of T. Anil Jain as Managing Director and Appointment of Mrs. Jamuna Ravikumar as Independent Women Director.

**Criteria for Performance evaluation:**

- i) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- ii) To carry out evaluation of every Directors performance.
- iii) To formulate the criteria for evaluation of Independent Directors and the Board.
- iv) To devise a policy on Board diversity.
- v) To carry out any other functions as is mandated by the Board from time to time and/ or enforced by any statutory notification , amendment or modification , as may be applicable .
- vi) To perform such other functions as may be necessary or appropriate for the performance of its duties .

**(III) REMUNERATION POLICY:**

The policy inter alia provides for the following :

- (a) Attract , recruit , and retain good and exceptional talent;
- (b) List down the criteria for determining the qualifications , positive attributes , and independence of the Directors of the Company and recommend to the Board a policy , relating to the remuneration for the Directors , key managerial personnel and other employees;
- © Ensure that the remuneration of the Directors, key managerial personnel and other employees is performance driven, motivates them, recognizes their merits and achievements and promotes excellence in their performance ;





- (d) To review market practices and to decide / make recommendations to the Board on remuneration packages applicable to the Managing Director , Executive Director and the Senior Executives of the Company .
- (e) To motivate such personnel to align their individual interests with the interests of the Company and further the interests of its stakeholders ;
- (f) To decide on the commission and / or other incentives payable taking into account the individual's performances as well that of the Company.
- (g) To assess the overall compensation structure and the policies of the Company with an objective to attract, retain and motivate employees , consider grant of stock options to employees etc.
- (h) To review the compensation levels of the companies employees vis a vis the other companies in the same field and industry in general
- (i) To examine and recommend / approve payment of remuneration to the Managerial Personnel in line with the requirements of schedule V to the Companies Act 2013.
- (j) To ensure a transparent nomination process for Directors with the diversity of thought, experience , knowledge, perspective and gender in the Board ; and
- (k) To fulfill the Company's objective and goals , including in relation to good corporate governance, transparency and sustained long term value creation for its stakeholders.

#### **(IV) CRITERIA FOR MAKING PAYMENT TO NON-EXECUTIVE DIRECTORS:**

No remuneration/commission is paid to any of the non-executive Director or independent Directors during 2017-18. The Company does not have any pecuniary relationships or transactions with non-executive Directors during 2017-18.

#### **4. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Committee is required to meet regularly to approve share transfers, transmissions, issue of duplicate share certificates, re-materialization of shares in the physical form as per the time limits and procedures specified in the Regulation 40 of SEBI (LODR) Regulation, 2015 and all other issues pertaining to shares and also to redress investor grievance like non-receipt of dividend warrants, non-receipt of share certificates, etc. The Committee regularly reviews the movement in shareholding and ownership structure. The Committee also reviews the performance of the Registrar and share transfer agents. During the financial year 2017-18 the Committee met once for the purpose of effecting transmission of shares in physical modes. During the year under review, the Company has not received any investor complaints.

**COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Committee comprises of

S.No.	Name	Designation
1	Sri. D. Hem Senthil Raj	Chairman
2	Sri. T. Anil Jain	Member
3	Smt. R. Maheshwari (upto 01.11.2017)	Member
4	Smt. Jamuna Ravikumar (From 14.02.2018)	Member

SEBI vide circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the Company that they had commenced processing of investor complaints in a web based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. It is found that no investor has made any complaints against the Company under SCORES.

Mr. S. Gopalakrishnan, Company Secretary is the compliance officer of the Company. For any clarification/complaint the shareholders may contact Mr. S. Gopalakrishnan, Company Secretary at the registered office of the Company.

**5. MEETING OF INDEPENDENT DIRECTORS:**

The Independent Directors of the Company had met once during the year to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of Chairperson of the Company and had assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The Company had also further during the year, conducted Familiarization programme for Independent Directors of the Company and the details of such familiarization programme are disseminated on the website of the Company (<http://www.refex.co.in/investors-information/familiarization-program/>)

**6. REMUNERATION PAID TO DIRECTORS**

Out of the total four(4) Directors, only one is an Executive Director. The remuneration payable to the Director is determined by the Board on the recommendation of the Nomination and Remuneration Committee. This is subject to the approval of the shareholders at the Annual General Meeting and that of the Central Government and such other authorities as maybe necessary. The Non-Executive Directors do not draw any remuneration from the Company.

- a) **Details of remuneration paid to the Executive Director during the financial year 2017-18 :  
Rs.13,50,000**



**b) Details of sitting fees paid to Non-Executive Directors during the financial year 2017-18**

The Company has paid a sum of Rs.60,000 toward sitting fees to the non-executive Directors. There was no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the financial year ended 31st March, 2018.

**c) Details of shareholding of Directors as on 31st March 2018**

As on 31st March 2018, the Company had one (1) Executive Director and three (3) Non-Executive Director. The said Executive Director, Mr. T. Anil Jain holds 1957796 equity shares in the Company. The Non –Executive Directors do not hold any shares in the Company.

**7. Annual General Meetings and Extraordinary General Meetings**

The details of the Annual General Meetings/Extraordinary General Meetings held in the last three years are as follows:

**Annual General Meetings of the Company:**

Venue	Financial Year	Date	Time
Nahar Hall, Deshabandhu Plaza, 1st Floor, 47, Whites Road, Royappettah, Chennai 600 014	2014-2015	30th September, 2015	3.30p.m
Nahar Hall, Deshabandhu Plaza, 1st floor, 47, Whites Road, Royappettah, Chennai 600 014	2015-2016	30th September, 2016	3.30p.m
Nahar Hall, Deshabandhu Plaza, 1st floor, 47, Whites Road, Royappettah, Chennai 600 014	2016-2017	26th September, 2017	3.30p.m

The details of special resolutions passed in AGM in the last three years are as follows:

AGM	Subject
AGM during the year 2014-2015= 30.09.2015	Nil
AGM during the year 2015-2016= 30.09.2016	Nil
AGM during the year 2016-2017= 26.09.2017	<ul style="list-style-type: none"> <li>● Re-appointment of T. Anil Jain as Managing Director</li> <li>● Re-appointment of D. Hem Senthil Raj as Independent Director</li> <li>● Increase the Borrowing Powers of the Company</li> </ul>

**E-Voting:**

Three special resolutions were required to be passed by the shareholders of the Company through e-voting during the year 2016-17.

**8. Subsidiary companies**

The financials of the Subsidiary Company viz., M/s Vituza Solar Energy Limited have been duly reviewed by the Audit Committee and the Board of the Holding Company. The Board minutes of the Unlisted Subsidiary Companies have been placed before the Board of the Holding Company. The Holding Company's Board also periodically inform about all significant transactions and arrangements entered into by the subsidiary Company. The Company has also formulated a policy for determining the Material Subsidiary and the details of such policies are disseminated in the website of the Company ([www.refex.co.in/Investors-information/material-subsidiary-policy/](http://www.refex.co.in/Investors-information/material-subsidiary-policy/))

**9. A) Risk Management**

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are classified as financial risk, operational risk and market risk. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for risk management with the following objectives:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management
- Define the organizational structure for effective risk management
- Develop a “risk” culture that encourages all employees to identify the risk and associated opportunities and to respond to them with effective actions.
- Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

**B) Risk Management Committee:**

The Company has constituted a Risk Management Committee with the following Directors:

S.No.	Name of the Members	Designation
1	Mr. D. Hem Senthil Raj	Chairman
2	Mr. T. Anil Jain	Member
3	Mr. Dinesh Kumar Agarwal	Member



### **Roles and Responsibilities of Risk Management Committee:**

#### **Monitoring and Reviewing of Risk Management Plan:**

- The Corporate Governance Policy approved by the Board, clearly lays down the roles and responsibilities of the various entities in relation to risk management covering a range of responsibilities, from the strategic to the operational. These role definitions, inter alia, provide the foundation for the Company's Risk Management Policy and Framework that is endorsed by the Board and is aimed at ensuring formulation of appropriate risk management procedures, their effective implementation across your Company and independent monitoring and reporting by Internal Audit.
- The Corporate Risk Management Cell, through focused interaction with businesses, facilitates the identification and prioritization of strategic and operational risks, development of appropriate mitigation strategies and conducts periodic reviews of the progress on the management of identified risks.
- A combination of centrally issued policies and divisionally – evolved procedures brings robustness to the process of ensuring that business risks are effectively addressed.
- Appropriate structures are in place to proactively monitor and manage the inherent risks in businesses with unique/ relatively high risk profiles.
- A strong and independent Internal Audit function at the corporate level carries out risk focused audits across all businesses, enabling identification of areas where risk management processes, may need to be strengthened. The Audit Committee of the Board reviews Internal Audit findings and provides strategic guidance on internal controls. The Audit Compliance Review Committee closely monitors the internal control environment with your Company including implementation of the action plans emerging out of internal audit findings.

### **10. Whistle Blower Policy**

The Company has an established mechanism for Directors/Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the Audit Committee. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters within 60 days after becoming aware of the same. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee at e-mail id [admin@refex.co.in](mailto:admin@refex.co.in) The key directions/actions will be informed to the Managing Director of the Company.

## 11. Disclosures

### Related Party Transactions:

There have been no materially significant related party transaction with the Company's promoters, Directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transaction and necessary approval of the audit Committee and Board of Directors were taken wherever required in accordance with the policy.

The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with RPT and the Related Party Transactions are disseminated in the website of the Company ([www.refex.co.in/Investors-information/related-party-transaction-policy/](http://www.refex.co.in/Investors-information/related-party-transaction-policy/))

### 12. Accounting Treatment:

The company is following Indian Accounting Standards with effect from 01.04.2017

### 13. Compliances:

The Company has fully complied with the statutory requirements under the Companies Act 2013 and SEBI (LODR) Regulations, 2015.

### 14. Means of Communication

- a) The Unaudited Quarterly Results of the Company are published in leading newspapers such as News Today and Malai Sudar. These are not sent individually to the shareholders.
- b) The Company's website address is: [www.refex.co.in](http://www.refex.co.in). The website contains basic information about the Company and such other details are required under the listing agreement and relevant SEBI regulations SEBI (LODR) Regulations, 2015. The Company ensures periodical updation of its website. The Company has a designated email-id [admin@refex.co.in](mailto:admin@refex.co.in) to enable the shareholders to register their grievances.
- c) Pursuant to the relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all data related to quarterly financial results, shareholding pattern, etc., are filed with stock exchanges within the time frame prescribed in this regard.
- d) No presentations have been made to institutional investors or to analysts.

### 15. Code of Conduct for the Board of Directors and the Senior Management





The standards for business conduct provide that the Directors and the senior management well uphold ethical values and legal standards as the Company pursues its objectives , and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website [www.refex.co.in/investors-information/code-of-conduct/](http://www.refex.co.in/investors-information/code-of-conduct/). As provided under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , the Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2017-18.

## 16. General Shareholder Information

### a) Annual General Meeting

Date and time:	31st July 2018 , 10.30 A.M
Venue:	“Bharatiya Vidya Bhavan, East Mada Street , Mylapore, Chennai-600 004
Book Closure Date:	28.07.2018 – 31.07.2018 (Both days inclusive)
Financial Year:	1st April,2017 to 31st March, 2018

### b) Financial Calendar 2018-19 (tentative)

1st Quarter ending June 30, 2018	On or before 15th August 2018
2nd Quarter ending September 30, 2018	On or before 15th November 2018
3rd Quarter ending December 31, 2018	On or before 15th February 2019
4th Quarter ending March 31, 2019	On or before 29th May 2019

### c) Particulars of Dividend for the year ended 31.03.2018

Date of declaration Rate of dividend Book Closure Date Date of payment of dividend Amount of dividend paid on share capital	} The Board has not recommended any Dividend for the Financial Year ended 31st March , 2018
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**d) Listing of Shares**

Name and Address of the Stock Exchange	Stock Code
BSE Limited, Mumbai (BSE) Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532884
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bhandra - Kurla Complex, Bandra (East), Mumbai – 400 051	REFEX

ISIN allotted by depositories	INE056I01017
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(Note: Annual Listing fees for the year 2018-19 were duly paid to the above Stock Exchanges)

**e) Stock Market Data**

Month	The Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	Month's High Price (In. Rs.)	Month's Low Price (In. Rs.)	Total volume of shares transacted	Month's High Price (In. Rs.)	Month's Low Price (In. Rs.)	Total volume of shares transacted
April 2017	22.15	18.30	5,20,347	22.20	18.5	16,06,352
May 2017	21.20	15.50	4,39,360	21.20	15.85	7,47,815
June 2017	19.05	14.75	2,55,775	19.10	14.35	6,82,802
July 2017	17.10	14.65	1,61,732	16.90	14.45	3,92,177
Aug 2017	15.50	12.60	92,205	15.50	12.45	3,63,277
Sep 2017	21.44	12.51	8,58,321	21.30	13.05	16,92,945
Oct 2017	26.30	20.20	7,59,023	26.30	20.30	15,36,365
Nov 2017	30.90	24.10	10,32,982	30.95	24.35	14,37,812
Dec 2017	28.35	20.55	6,21,374	29.00	20.45	14,25,209
Jan 2018	25.00	19.10	2,85,219	25.00	19.00	7,00,480
Feb 2018	20.90	17.10	2,09,065	21.50	17.10	4,04,155
Mar 2018	19.30	15.10	1,48,577	19.75	14.80	3,89,903



**f) Shareholding Pattern as on 31st March 2018**

Particulars	Number of Share holders	Share held in Physical Form	Shares held in dematerialized form	Total Number of Shares held
<b>Promoter and Promoter Group</b>				
1. Bodies Corporate	2	-	2083411	2083411
2. Directors and their Relatives	7	-	2792566	2792566
<b>Public Shareholding</b>				
I. Institutions				
1. Mutual Funds/UTI	-	-	-	-
2. Financial Institutions/Banks	-	-	-	-
3. Insurance Companies	-	-	-	-
4. Foreign Institutional Investors	-	-	-	-
5. Foreign Nationals	1	1200	-	1200
II. Non Institutions				
1. Bodies Corporate	168	-	1315658	1315658
2. Individuals	7883	1797	9012840	9014637
3. NRI	69	-	267704	267704
<b>TOTAL</b>	<b>8130</b>	<b>2997</b>	<b>10596202</b>	<b>15475176</b>

**g) Distribution of Shareholding as on 31st March 2018**

**DISTRIBUTION OF HOLDINGS – NSDL & CDSL & PHYSICAL**

Share or debenture holding	Share or debenture holding		Share or debenture holding	
Shares	Number	% of total	Shares	% of total
1 – 100	3012	37.0479	156886	1.0137
101 – 500	2651	32.6076	797442	5.1530
501 – 1000	1023	12.5830	885329	5.7209
1001 – 2000	616	7.5768	1004520	6.4911
2001 – 3000	251	3.0873	657845	4.2509
3001 – 4000	122	1.5006	442895	2.8619
4001 – 5000	114	1.4022	544668	3.5196
5001 – 10000	174	2.1402	1342997	8.6783
10001 – And Above	167	2.0541	9642594	62.3100
<b>Total</b>	<b>8130</b>	<b>100.0000</b>	<b>15475176</b>	<b>100.0000</b>

**DISTRIBUTION OF HOLDINGS – NSDL & CDSL & PHYSICAL**

Share or debenture holding	Share or debenture holding		Share or debenture holding	
Shares	Number	% of total	Shares	% of total
10 – 5000	5663	69.6555	9543280	6.1668
5001 – 10000	1023	12.5830	8853290	5.7209
10001 – 20000	616	7.5768	10045200	6.4911
20001 – 30000	251	3.0873	6578450	4.2509
30001 – 40000	122	1.5006	4428950	2.8619
40001 – 50000	114	1.4022	5446680	3.5196
50001 – 100000	174	2.1402	13429970	8.6783
100001 – And Above	167	2.0541	96425940	62.3100
<b>Total</b>	<b>8130</b>	<b>100.0000</b>	<b>154751760</b>	<b>100.0000</b>

**h) Registrar and Share Transfer Agents**

CAMEO Corporate Services Limited , having its registered office at Subramanian building No. 1, Club House Road , Chennai- 600 002 are the Registrars for the demat segment and also the share transfer agents of the Company , to whom communications regarding share transfer and dematerialization requests must be addressed. All matters connected with share transfer, transmission, dividend payment is handled by the share transfer agent. Share transfers are processed within 15 days of lodgement. A practicing Company Secretary certifies on a quarterly basis the timely dematerialization of shares of the Company.

**i) Information in respect of unclaimed dividends due to remitted into Investor Education and Protection Fund (IEPF) is given below:**

There are no unclaimed dividends which are due to be remitted into IEPF.

**j) Request to Investors**

Shareholders are requested to follow the general safeguards/ procedures as detailed hereunder in order to avoid to risks while dealing in the securities of the Company.

- Shareholders are requested to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.
- Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the Company.
- It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.
- Shareholders holding shares in physical form, who have not availed nomination facility and would like to do so , are requested to avail the same, by submitting the nomination in Form SH 13. The form will be made available on request. Those holding shares in electronic form are advised to contact their Dps .
- As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrant. This would avoid wrong credits being obtained by unauthorized persons.

**k) Reconciliation of Share Capital Audit**

A quarterly audit is being conducted by a Practising Company Secretary , reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical



form and in the depositories and the report on Reconciliation of Share Capital Audit are submitted to the stock exchanges within the prescribed time limit as on 31st march 2018, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 15472179 equity shares representing 99.98% of the paid up equity capital have been dematerialized as on 31st march 2018.

#### **l) Information to Shareholders**

A brief resume of the Director to be reappointed together with the nature of his experience and the details of the other Directorships held by him is annexed to the Notice convening the Annual General Meeting.

#### **m) Plant locations**

- Refrigerants Gases :  
No.1/171, Old Mahabalipuram Road, Thiruporur,  
Kancheepuram district , Tamil Nadu-603110
- Solar Energy Division:  
Balotra, Barmer District, Ragasthan-344022

#### **n) Address for Corespondence**

##### **Refex Industries Limited**

# No:67, Bazullah Road,  
T.Nagar, Chennai-600017

**DECLARATION PURSUANT TO REGULATION 34(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS.**

**To  
The Members of  
Refex Industries Limited,**

Refex is committed to conducting its business in accordance with the applicable laws, rules and regulations with highest standards of Business Ethics. The Company has adopted a Code of Ethics and Business Conduct which is applicable to all Directors and senior management personnel. Accordingly, in terms of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby certify that both the Members of the Board and the Senior Management Personnel have affirmed compliance as on 31st March, 2018 with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board of Directors.

**T. Anil Jain**  
Managing Director  
DIN: 00181960

**D. Hem Senthil Raj**  
Director  
DIN: 06760725

**S.Gopalakrishnan**  
Company Secretary

Place: Chennai  
Date: 25.05.2018



## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

**To**  
**The Members of**  
**Refex Industries Limited,**  
**Chennai**

We have examined the compliance of conditions of Corporate Governance by Refex Industries Limited ("The Company") for the year ended 31st March 2018, as per Regulation 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C,D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (" Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance . It is neither an audit nor an expression of opinion on the financial statement of the Company.

We conducted our examination in accordance with the Guidance Note on Reports issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we complied with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performed Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in the Regulations 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C,D and E of Schedule V of the Listing Regulations during the year ended March 31st, 2018

We state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company .

### **Restriction on use:**

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**Place: Chennai**  
**Date: 25.05.2018**

**M Krishnakumar & Associates**  
**Chartered Accountants**  
**FRN. 006853S**  
**Membership No. 203929**

**CERTIFICATION BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO)  
TO THE BOARD**

We, have T. Anil Jain , Managing Director and U. Lalitha , Chief Financial Officer of Reflex Industries Limited, certify that :

1. We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contains statements that may be misleading ;
  - b) These statements together present a true and fair view of the state of affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
2. 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.
3. We accept responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control. The internal auditor works with all levels of management and statutory auditors and reports significant issues to the audit Committee of the Board. The auditors and audit Committee are appraised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the Audit Committee:
  - a) Significant changes in internal control over financial reporting during the year ;
  - b) Significant changes in accounting policies during the year; and that the same have been disclosed on the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the Company's internal control system and financial reporting. However, during the year there was no such instance.

Place: Chennai  
Date: 25.05.2018

**T. Anil Jain**  
Managing Director  
DIN: 00181960

**U. Lalitha**  
Chief Financial Officer





## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **Industry Structure and Development**

The Company was incorporated on 13th September 2002 and is primarily engaged in the Business of refilling Non-Ozone depleting refrigerant gases popularly known as Hydro Fluoro Carbon or HFC's, which are used in Automobile Air-Conditioners, Room Air Conditioners and Refrigerating Equipment. It is an ISO 9001:2015 and ISO 14001:2015 Company.

From November 2011, the Company also entered business relating to Generation and Distribution of Solar Power by running a Solar Power Plant in Balmer District, Rajasthan.

During the year, the actual production of the refrigerant gases accounted for 231.186MTs as against the installed capacity of 900MTs. The current facility is a 218.980MTs Capacity refilling with Single shift. The sale of products in term of quantity recorded at.

The income earned by the Company arising out of solar power generation and distribution during 2017-18 is Rs. 19.96 Lakhs.

### **OPPORTUNITIES**

The Company is engaged in the Business of Hydro Fluoro Carbon (HFCs) which is replacement of the Ozone depleting CFC which is already banned in India and HCFC that are to be banned Montreal protocol by the developing Countries. This phase out had already started in 2012 in parts and a complete ban will come in by 2020. The phase out of HCFC gives immense potential to Your Company to gain additional market share from domestic manufacturers. The Company's products are placed as a premium brand in the industry and commend a premium over the other brands as reflex is the pioneer in introducing the R134a disposable cans in the Indian market. The Company's refrigerant business has grown from Rs. 732.42 Lakhs in 2016-17 to Rs. 1007.49 Lakhs in 2017-18. It resulted in the increase of market share of Your Company. Your Company is now primarily focusing on after markets and retail. Also planning to reach OEMs, besides also getting enquiries from Government Sectors. As a result of global warming, the demand for the refrigerants has risen in the world market. The growing demands also promises more export business for Your company by spreading the footprints across the world. Under changing Geo-political scenario, Indian products attract renowned interest from overseas customers, boosting exports of refrigerant gas.

With increasing power shortage in the Country due to growing gap between demand and supply, the opportunities relating to Non-Conventional energy sources, such as solar energy, is bound to increase in the years to come and the company would be in a position to convert this opportunity to its advantage.

Your company is working with various science and technical institutions to introduce new refrigerants which have Zero Global Warming Potential (GWP) to work towards a more CO<sub>2</sub> free world. Your company is working on introduction to new product package in the market to ease the usage of end user creating impact on the lives of people who use it. Your company will have an early mover advantage to



launch new refrigerants in the market. Your company is also working on adding additional Solar Power Plants and is keenly looking for opportunities to build more Solar Power Plants.

### **THREATS**

The Company is largely dependent on foreign countries for the supply of raw materials and hence the shortage in the availability of raw materials coupled with adverse foreign exchange will affect the cost structure and bottom line of the company. The margins are thinner due to the tough competition faced in the refrigeration industry, though the demand has been increasing. The profit from exports to other countries has also been affected due to the currency fluctuations. Year 2017-18 has seen a lot of fluctuation in Forex and hence the risk of higher costing is increased. HFCs are having GWP potential and are being now phased out in developed countries. India will also have to work towards the phase put in the next 20-25 years. One of the primary products R134a faces Anti-Dumping duties from China and other countries, which will be a major drawback for your Company. Solar Power is driven by Government policies and also any introduction/change in Tariff or policy will affect the business plan. The instability in global economy is also bound to affect the company in both business activities.

### **COMPETITIVE STRENGTH**

The Company is working with various institutions on developing refrigerants which have Zero GWP potential. Various research agencies and scientist have approached your company to commercialize some products and your company is evaluating the same. Your company has import licenses of various products which are easily issued by the customs. The after-market for HFC is increasing with increase in sale of cars and refrigerants.

Being setup first re-filling facility in the country a decade back among non-manufacturers, Brand **REFEX** is a prominent brand in the Refrigerant Industry and commands a premium over other brands. The end users like Mechanics and Installers have preferred Refex products over other products. Innovative packing and continuous product and service development has placed the brand in the top in the country. Your company has a well networked Logistics department put in place for timely supply to OEM's, Trade and after markets. The Network consists of technical team who assist the small mechanics to switch over from CFC's to HFC's. They train them on the replacement, procedure and cost.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Refex's stringent internal control systems and procedure is well defined and commensurate with the size and nature of the Business to provide reasonable assurance that all assets are safeguarded; transactions are authorized and reported properly. All applicable statutes, code of conduct and corporate policies are duly complied with. The internal Audit Division reviews the adequacy and efficiency of the internal controls. The scope of the Audit activity is guided by the Annual Audit Committee of the Board. The Audit Committee reviews the reports of the Internal Auditors and provides guidance.



## HUMAN RESOURCE DEVELOPMENT

Your Company provides a diverse and inclusive work environment. It is the policy, practice and aim of your company to provide Employment Opportunities to all qualified persons on an equal basis. Your company does not discriminate against any employee or applicant for employment on the basis of race, religion, disability, ethnicity, marital status or any other characteristic protected by law. Your company does not employ or engage child labour. It provides training, education and promotion opportunities that permit development and career advancement to the company's work force. It provides wellness programs to the employees. Your company is concerned about the safety of its employees. Work of the employees is evaluated periodically. Policy on human rights including the code of Ethical Business Conduct, Anti-Sexual Harassment and Whistle Blower Policies along with the Group Business Responsibility Policy cover all aspects on human rights for your company and also extend to all stakeholders of your company. Your company follows an extensive performance Management system to review the performance of its employees, Senior Management Personnel and provide rewards on the basis of Meritocracy.

## FINANCIAL PERFORMANCE

An overview of the financial performance Vis a Vis the previous year is given separately in the Directors Report.

## PRODUCT WISE/SEGMENT WISE PERFORMANCE

The company has two segments Viz. Refrigerant gases and Solar Power. The quantitative performance Vis a Vis the previous year is given below.

	2017-18	2016-17
Refrigerant gases Sales (Kgs.)	218980	257566
Solar Power (units)	8422350	8676000
Solar Accessories (WP.)	-	4250000

## CAUTIONARY STATEMENT

The above statement is as perceived by the Directors based on the Current scenario and the input available. Any extraneous development and force majeure conditions may have an impact on the above perception.

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Members of Reflex Industries Limited**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Reflex Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation and presentation of these standalone 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 the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified u/s 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 standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the standalone financial statements.

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

**Basis for Qualified Opinion:**

***The Company is not providing for liability for gratuity as per actuarial valuation which is not in accordance of the Accounting Standard on Provision for Gratuity (AS-15) (Refer Note 2(i) forming part of Financial Statements) issued by The Institute of Chartered Accountants of India and the impact of which is unascertainable.***

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion above, the standalone 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 state of affairs of the Company as at March 31, 2018 and its profit and its cash flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable
2. As required by section 143(3) of the Act, we further report, to the extent applicable, 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 it appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- d. in our opinion, except for the effects of the matter described in the Basis for Qualified opinion paragraph, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.;
- e. on the basis of written representations received from the Directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of sub-section (2) of section 164 of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure B”**; and
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as mentioned in Note 28.1 (i)
  - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. The company had an amount of Rs.43,674/- being the unclaimed dividend declared in the AGM held in Nov 2009 and due for transfer to Investor Education and Protection Fund (IEPF) by the Company., but the same has been transferred to IEPF as on 31st July 2017.

**For M. KRISHNAKUMAR & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 006853S**

**Place: Chennai**  
**Date: 25th May 2018**

**M. KRISHNA KUMAR, B.Sc., FCA**  
**Proprietor**  
**Membership No.203929**



## **‘ANNEXURE A’ TO THE INDEPENDENT AUDITORS’ REPORT:**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements of the Company for the year ended 31st March 2018, we report that:

1.
  - a) The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
  - b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) The title deeds of immovable properties are held in the name of the company.
2. The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stock and book records such were not material.
3.
  - (a) According to the information & explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms, LLP or other parties covered in the register maintained u/s.189 of the Act, except that it has granted loans of Rs. 3315.19 lakhs, (Rs.3395.59) the yearend balance being Rs.3423.36 (Rs.2677.59) lakhs to two companies covered in the register maintained under section 189 of the Act. In our opinion, the grant of such loan is not prejudicial to the interest of the company.
  - (b) In our opinion and according to the information and explanations given to us, the terms of repayment of the loan and payment of interest have not been stipulated; however, they are repayable on the mutual agreement of both the parties involved. As there is no stipulation of payment of interest the question of the receipt of interest does not arise.
  - (c) As the company has not stipulated the terms and conditions for repayment of principal and interest, we are unable to comment on the overdue amount.
4. *In our opinion and according to the information and explanations given to us, the company has not complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans, investments, guarantees and security made. The Company has granted a loan of Rs.3527.03(Rs.3035.72) lakhs to a company and a corporate guarantee of Rs.37.48 (Rs.37.48 crs) crores which is not in compliance with section 185 of the Act.*
5. The Company has not accepted any deposits from the public.



6. The Central Government has not prescribed maintenance of cost records u/s 148 (1) of the Act.
7. a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, custom duty, excise duty, VAT, cess and other statutory dues applicable to it with appropriate authorities and that there are no outstanding dues as on the last day of the financial year for a period of more than six months from the date they became payable except in the following cases:

S.No.	Particulars	Amount (In Rs.)	Details
1.	Maharashtra VAT	Rs.46,73,827/-	Maharashtra Sales Tax Dept
2.	Income tax	Rs.26,24,382/-	Income Tax for A.Y. 2008-09

- b) According to the information and explanations given to us, the particulars of dues in respect of income tax, service tax, sales tax, customs duty, excise duty, VAT and cess, which have not been deposited on account of a dispute, are as follows

S.No.	Particulars	Amount (In Rs.)	Details
1.	A.Y.2009-10	1,70,61,280/-	Under Appeal with the Hon'ble Income Tax Appellate Tribunal, Chennai
2.	A.Y.2011-12	5,81,45,540/-	Under Appeal with the Hon'ble Commissioner of Income Tax (Appeals), Chennai
3.	2006-07 to 2011-12	9,83,01,807/-	Asst.Commissioner, Thirukazhukundram

8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.



13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For M. KRISHNAKUMAR & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 006853S**

**Place: Chennai**  
**Date: 25th May 2018**

**M. KRISHNA KUMAR, B.Sc., FCA**  
**Proprietor**  
**Membership No.203929**



## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

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

We have audited the internal financial controls over financial reporting of Reflex Industries Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. KRISHNAKUMAR & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 006853S**

**Place: Chennai**  
**Date: 25th May 2018**

**M. KRISHNA KUMAR, B.Sc., FCA**  
**Proprietor**  
**Membership No.203929**

**Reflex Industries Limited**  
**Balance Sheet as at 31<sup>st</sup> March, 2018**

	Particulars	Note No.	As at 31 <sup>st</sup> March 2018 ₹	As at 31 <sup>st</sup> March 2017 ₹
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	Tangible assets	3	14,30,87,399	14,60,28,577
	(b) Deferred Tax Asset (Net)		-	62,12,343
	(c) Non-current investments	4	5,00,000	5,81,820
	(d) Long term Loans & Advances	5	4,01,81,335	1,91,81,374
	(e) Other Non-Current Assets	6	1,48,95,343	2,39,54,492
			<b>19,86,64,077</b>	<b>19,59,58,606</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	7	5,22,60,124	1,22,38,395
	(b) Trade receivables	8	36,51,36,731	8,98,17,975
	(c) Cash and cash equivalents	9	69,36,249	76,35,312
	(d) Short-term loans and advances	10	34,52,16,139	28,01,87,006
	(e) Other Current Assets	11	1,12,24,002	1,49,92,760
			<b>78,07,73,245</b>	<b>40,48,71,448</b>
	<b>TOTAL Assets</b>		<b>97,94,37,322</b>	<b>60,08,30,054</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	12	15,47,51,760	15,47,51,760
	(b) Reserves and surplus	13	(4,33,37,681)	(5,27,63,421)
			<b>11,14,14,079</b>	<b>10,19,88,340</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	14	35,53,88,274	34,95,27,017
	(b) Deferred tax liabilities (Net)		17,44,199	-
	(c) Other long-term liabilities	15	5,41,40,253	1,19,39,728
	(d) Long-term provisions	16	31,27,101	31,27,101
			<b>41,43,99,827</b>	<b>36,45,93,846</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Trade payables	17	41,40,51,122	8,46,56,247
	(b) Other current liabilities	18	3,52,31,008	4,52,50,335
	(c) Short-term provisions	19	43,41,286	43,41,286
			<b>45,36,23,416</b>	<b>13,42,47,868</b>
	<b>TOTAL Liabilities</b>		<b>97,94,37,322</b>	<b>60,08,30,054</b>
	<b>See accompanying Notes forming part of the Financial Statements</b>	<b>27-30</b>		

Notes 1 to 30 form part of Financials  
In terms of our report attached.

**For M.KRISHNAKUMAR & ASSOCIATES**  
Chartered Accountants  
Firm Registration.No:006853S

**M.Krishna Kumar B.SC FCA**  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

**For and on behalf of the Board of Directors**

**T.Anil Jain**  
Managing Director  
DIN No. 00181960

**Dinesh Kumar Agarwal**  
Director  
DIN No. 07544757

**D.Hem Senthil Raj**  
Director  
DIN No. 06760725

**Jamuna RaviKumar**  
Director  
DIN No. 08009308

**U.Lalitha**  
Chief Financial Officer

**S.Gopalakrishnan**  
Company Secretary



# Refex Industries Limited

## Statement of Profit and Loss for the year ended 31st March, 2018

	Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
			₹	₹
	<b>INCOME</b>			
1	Revenue from operations ( Net )	20	76,85,82,739	37,71,82,046
2	Other income	21	2,04,12,307	1,68,97,773
3	<b>TOTAL INCOME (1+2)</b>		<b>78,89,95,046</b>	<b>39,40,79,819</b>
4	<b>EXPENSES</b>			
	(a) Cost of Materials Consumed	22.a	6,26,80,055	4,41,28,994
	(b) Purchase of Traded goods	22.b	50,70,72,756	15,38,92,500
	(c) Employee Benefits Expense	23	1,15,96,780	67,19,987
	(d) Finance costs	24	1,16,85,913	2,52,46,503
	(e) Depreciation and Amortisation Expense	3	82,74,428	78,74,413
	(f) Other expenses	25	16,97,73,574	15,08,76,981
	<b>TOTAL EXPENSES</b>		<b>77,10,83,506</b>	<b>38,87,39,378</b>
5	<b>Profit / (Loss) before exceptional items and tax (3 - 4)</b>		1,79,11,539	53,40,441
6	Exceptional items	26	5,29,257	8,270
7	<b>Profit / (Loss) before tax (5 - 6)</b>		<b>1,73,82,282</b>	<b>53,32,171</b>
8	<b>Tax expense:</b>			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Net current tax expense		-	-
	(d) Deferred tax (Asset)		(79,56,542)	(7,01,350)
	<b>Total</b>		<b>(79,56,542)</b>	<b>(7,01,350)</b>
9	<b>Profit / (Loss) for the year (7 - 8)</b>		<b>94,25,740</b>	<b>46,30,821</b>
10	<b>Earnings per share (of Rs.10/- each):</b>			
	Basic and Diluted	28.3	<b>0.61</b>	<b>0.30</b>
	Weighted Average number of Equity Shares (F.V of Rs.10/- each)		1,54,75,176	1,54,75,176
	<b>See accompanying notes forming part of the Financial Statements</b>	<b>27-30</b>		

Notes 1 to 30 form part of Financials  
In terms of our report attached.  
**For M.KRISHNAKUMAR & ASSOCIATES**  
Chartered Accountants  
Firm Registration.No:006853S

**M.Krishna Kumar B.SC FCA**  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

For and on behalf of the Board of Directors

**T.Anil Jain**  
Managing Director  
DIN No. 00181960

**Dinesh Kumar Agarwal**  
Director  
DIN No. 07544757

**D.Hem Senthil Raj**  
Director  
DIN No. 06760725

**Jamuna RaviKumar**  
Director  
DIN No. 08009308

**U.Lalitha**  
Chief Financial Officer

**S.Gopalakrishnan**  
Company Secretary

**REFEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Note	Particulars
<b>1</b>	<p><b>Corporate Information</b></p> <p>Refex Industries Limited (formerly Refex Refrigerants Ltd referred as "RRL") or the Company is engaged in the business of refilling of eco friendly Refrigerant Gases. The Company's portfolio consists of trading and re filling of Refrigerant Gases.</p> <p>The Company is also into Sale of Electrical Energy based on generation of power and Sale of Solar Accessories and Job Service related works etc.,</p> <p>The Company's registered office is in Chennai, Tamilnadu, India and its Factory is situated in Thiruporur, Kanchipuram District, TamilNadu.</p>
<b>2</b>	<p><b>Significant Accounting Policies</b></p>
<b>a</b>	<p><b>Basis of Accounting and Preparation of Financial Statements</b></p> <p>The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
<b>b</b>	<p><b>Use of Estimates</b></p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>c</b>	<p><b>Inventories</b></p> <p>Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.</p>



<b>d</b>	<p><b>Depreciation and Amortisation</b></p> <p>Depreciation has been provided on the Straight Line Method as per the rates prescribed in Schedule II to the Companies Act, 2013.</p>
<b>e</b>	<p><b>Revenue Recognition</b></p> <p><u>i) Sale of goods</u></p> <p>Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are stated including Excise Duty but excluding sales tax and value added tax from April 2017 to June 2017 and GST from July 2017 to March 2018.</p> <p><u>ii) Sale of Electrical Energy</u></p> <p>Sale of electrical energy is recognised on acceptance by Electricity Board of units generated.</p>
<b>f</b>	<p><b>Other Income</b></p> <p>Interest income is accounted on accrual basis.</p>
<b>g</b>	<p><b>Fixed Assets</b></p> <p>Fixed Assets are stated at Cost, less accumulated depreciation/amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.</p>
<b>h</b>	<p><b>Investments</b></p> <p>"Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. Provision for diminution in the value of long term investments is made only if such decline is other than temporary."</p>
<b>i</b>	<p><b>Employee Benefits</b></p> <p>Employee benefits include provident fund, gratuity fund and compensated absences.</p> <p><u>Defined Contribution Plans</u></p> <p>The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p><u>Defined Benefit Plans</u></p> <p>For defined benefit plans in the form of gratuity fund, the cost of providing benefits is not ascertainable as the Company is yet to evolve a scheme for the same.</p> <p><u>Short-term Employee Benefits</u></p> <p>"The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such</p>



compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur."

#### Long-term Employee Benefits

The Company does not have a Scheme for Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### **j Borrowing Costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### **k Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share, if any, is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

#### **l Taxes on Income**

"Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company."



Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

**m Impairment of Assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

**n Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the 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 disclosed in the Notes.

**o Foreign Currency Transactions**

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate.



**Note 3 - Fixed assets for the year ended 2018**

Tangible assets	Gross Block				Accumulated Depreciation and Impairment				Net Block	
	Balance as at 1 April, 2017	Additions	Disposals	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2018	Balance as at 31 March, 2018	Balance as at 31 March, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Land Own use	9,00,52,038	-	-	9,00,52,038	-	-	-	-	9,00,52,038	9,00,52,038
(b) Building Owned	2,83,78,750	-	-	2,83,78,750	79,84,648	13,71,147	-	93,55,795	1,90,22,955	2,03,94,102
(c) Electrical Installation Owned	1,89,73,165	-	-	1,89,73,165	98,10,201	17,53,261	-	1,15,63,462	74,09,703	91,62,964
(d) Furniture & Fittings Owned	98,61,219	-	-	98,61,219	69,29,134	6,22,449	-	75,51,583	23,09,636	29,32,085
(e) Office equipment Owned	33,30,047	5,64,527	-	38,94,574	21,27,317	3,54,690	-	24,82,007	14,12,567	12,02,730
(f) Plant & Machinery - Cylinders Owned	8,84,18,696	15,44,900	-	8,99,63,596	7,58,40,754	29,11,395	-	7,87,52,149	1,12,11,447	1,25,77,942
(g) Plant & Machinery - Others Owned	3,01,73,631	14,31,594	-	3,16,05,225	2,59,23,988	3,88,871	-	2,63,12,859	52,92,366	42,49,643
(h) Vehicles - Commercial Owned	97,474	-	-	97,474	30,474	-	-	30,474	67,000	67,000
(i) Vehicles - Non Commercial Owned	98,67,982	31,18,999	38,04,126	91,82,855	44,77,908	8,72,615	24,77,355	28,73,168	63,09,687	53,90,074
<b>Total</b>	<b>27,91,53,002</b>	<b>66,60,020</b>	<b>38,04,126</b>	<b>28,20,08,896</b>	<b>13,31,24,424</b>	<b>82,74,428</b>	<b>24,77,355</b>	<b>13,89,21,497</b>	<b>14,30,87,399</b>	<b>14,60,28,578</b>
<b>Previous year</b>	<b>27,57,76,224</b>	<b>34,69,751</b>	<b>92,973</b>	<b>27,91,53,002</b>	<b>12,53,30,215</b>	<b>78,74,413</b>	<b>80,203</b>	<b>13,31,24,425</b>	<b>14,60,28,577</b>	<b>15,04,46,009</b>



## REFEX INDUSTRIES LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note 4 - Non-Current Investments

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Quantity Nos	Unquoted ₹	Quantity Nos	Unquoted ₹
<b>Investments (At cost):</b>				
<b>A. Non Trade-Unquoted</b>				
(a) Investment in Equity Shares - Refex Hydro Power Pvt Ltd of Rs.10/- each.	-	-	4,341	43,410
(b) Investment in Equity Shares - Refex Wind Power Pvt Ltd of Rs.10/- each.	-	-	3,841	38,410
(c) Investment in Equity Shares - *Vituza Solar Energy Ltd of Rs.10/- each.	50,000	5,00,000	50,000	5,00,000
<b>Total - Non Trade</b>	<b>50,000</b>	<b>5,00,000</b>	<b>58,182</b>	<b>5,81,820</b>

\*Refex Hydro Power Pvt Ltd and Refex Wind Power Pvt Ltd shares held by Refex Industries Limited sold at cost on 23rd August 2017 to Sherisha Technologies Private Limited

#### Note 5 - Long-term Loans and Advances

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Security Deposits		
Unsecured, considered good	1,74,45,492	1,74,45,492
TDS Receivable	2,26,83,439	17,13,748
TCS Receivable	52,404	22,134
<b>Total</b>	<b>4,01,81,335</b>	<b>1,91,81,374</b>

#### Note 6 - Other Non- Current Assets

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Other Non-Current Assets		
Unsecured, considered good	1,05,47,734	77,42,238
(i) CENVAT credit receivable	6,349	1,35,30,937
(ii) VAT credit receivable	-	24,48,056
(iv) GST Receivables	43,41,260	-
(iii) Service Tax credit receivable	-	2,33,261
<b>Total</b>	<b>1,48,95,343</b>	<b>2,39,54,492</b>

**Note 7 - Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Raw Materials	5,22,60,124	1,22,38,395
<b>Total</b>	<b>5,22,60,124</b>	<b>1,22,38,395</b>

Note: Details of Inventory of Raw Materials

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Refrigerant Gases	5,22,60,124	1,22,38,395

**Note 8 - Trade Receivables - Unsecured, considered good**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	8,52,76,371	7,18,66,047
Trade receivables less than six months	27,98,60,360	1,79,51,928
	<b>36,51,36,731</b>	<b>8,98,17,975</b>

**Note 9 - Cash and Cash Equivalents**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
(a) Cash on hand	15,16,011	8,89,204
(b) Balances with banks		
(i) In current accounts	52,32,364	67,36,108
(ii) In EEFC accounts	22,874	-
(ii) In deposit accounts	1,65,000	10,000
<b>Total</b>	<b>69,36,249</b>	<b>76,35,312</b>



#### Note 10 - Short-term Loans and advances

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>(a) Loans and advances to related parties (Refer Note 28.1.b)</b>		
Secured, considered good	-	-
Unsecured, considered good	34,23,36,797	26,77,58,935
<b>Sub Total</b>	<b>34,23,36,797</b>	<b>26,77,58,935</b>
<b>(b) Loans and advances to employees</b>		
Secured, considered good	1,59,000	1,66,500
<b>Sub Total</b>	<b>1,59,000</b>	<b>1,66,500</b>
<b>© Others - Advances for Purchase of Goods and Services</b>		
Unsecured, considered good	15,43,928	1,16,40,503
Prepaid Expenses	11,76,414	6,21,068
<b>Sub Total</b>	<b>27,20,342</b>	<b>1,22,61,571</b>
<b>Total</b>	<b>34,52,16,139</b>	<b>28,01,87,006</b>

#### Note 11 - Other Current Assets

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Interest Receivable	1,12,24,002	1,49,92,760
<b>Total</b>	<b>1,12,24,002</b>	<b>1,49,92,760</b>

#### Note 12 - Share Capital

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number of shares	₹	Number of shares	₹
<b>(a) AUTHORISED</b>				
Equity shares of Rs.10/- each with voting rights	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
Cumulative Redeemable preference shares of Rs.100/- each	5,00,000	5,00,00,000	5,00,000	5,00,00,000
<b>(b) ISSUED</b>				
Equity shares of Rs.10/- each with voting rights	1,54,75,176	15,47,51,760	1,54,75,176	15,47,51,760
<b>(c) SUBSCRIBED AND FULLY PAID UP</b>				
Equity shares of Rs.10/- each with voting rights	1,54,75,176	15,47,51,760	1,54,75,176	15,47,51,760
<b>Total</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>

Refer Notes (i) to (iii) below

**(i) Reconciliation of number of Shares**

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number of shares	₹	Number of shares	₹
<b>Equity Shares</b>				
Opening Balance	1,54,75,176	15,47,51,760	1,54,75,176	15,47,51,760
Changes during the year	-	-	-	-
<b>Closing Balance</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>

**(ii) Rights, preferences and restrictions attached to Shares**

The Company has one class of Equity Shares having a face value of Rs.10/- each. Each Shareholder is eligible for one vote per Share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the 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 amounts, in proportion to their shareholding.

**(iii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Sherisha Technologies Private Limited	20,83,411	13.46%	20,83,411	13.46%
<b>T.Anil Jain</b>	<b>19,57,796</b>	<b>12.65%</b>	<b>19,57,796</b>	<b>12.65%</b>

**Note 13 - Reserves and Surplus**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>(a) Securities Premium Account</b>		
Opening Balance	23,24,11,967	23,24,11,967
Add: Additions during the year		
<b>Closing Balance</b>	<b>23,24,11,967</b>	<b>23,24,11,967</b>
<b>(b) General Reserve</b>		
Opening balance	4,22,10,000	4,22,10,000
Add: Transferred from surplus in Statement of Profit and Loss		
<b>Closing balance</b>	<b>4,22,10,000</b>	<b>4,22,10,000</b>
<b>(c) Deficit in Statement of Profit and Loss</b>		
Opening balance	(32,73,85,388)	(33,20,16,209)
Add: Profit / (Loss) for the year	94,25,740	46,30,821
<b>Closing balance</b>	<b>(31,79,59,648)</b>	<b>(32,73,85,387)</b>
<b>Total</b>	<b>(4,33,37,681)</b>	<b>(5,27,63,420)</b>



## Note 14 - Long-Term Borrowings

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>Term Loans</b>		
Long Term Maturities of Finance Lease Obligation	32,70,857	
<b>Inter Corporate Deposits</b>		
Secured	59,70,082	59,70,082
Unsecured	34,60,75,000	34,34,00,000
Others	72,335	1,56,935
<b>Total</b>	<b>35,53,88,274</b>	<b>34,95,27,017</b>

## Note 14 - Long-term Borrowings (contd.)

Particulars	Terms of repayment and security	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
		Secured ₹	Unsecured ₹	Secured ₹	Unsecured ₹
<b>Term loans from banks:</b>					
HDFC Bank Ltd	Term : 36 Months Interest Rate:16 % Security: NIL	-	13,90,676	-	-
HDFC Bank Ltd	Term : 23 Months Interest Rate: 9.50% Security:Fork lift machine	2,60,839	-	-	-
<b>Total - Term loans from banks</b>		<b>2,60,839</b>	<b>13,90,676</b>	<b>-</b>	<b>-</b>
<b>Term loans from other parties:</b>					
Toyota Financial services India Ltd	Term : 36 Months Interest Rate: 8.40% Security:Vehicle-car	16,19,343	-	-	-
<b>Total - Term loans from Other Parties</b>		<b>16,19,343</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - Term loans</b>		<b>18,80,182</b>	<b>13,90,676</b>	<b>-</b>	<b>-</b>

For the current maturities of long-term borrowings, refer items (a) in Note 18 Other Current Liabilities.

## Note 15 - Other Long Term Liabilities

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
(a) UnClaimed Dividend	-	1,08,318
(b) Interest on InterCorporate Deposits	5,41,40,253	1,18,31,410
<b>Total</b>	<b>5,41,40,253</b>	<b>1,19,39,728</b>

## Note 16 - Long- Term Provisions

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Provision for employee benefits	31,27,101	31,27,101
<b>Total</b>	<b>31,27,101</b>	<b>31,27,101</b>

**Note 17 - Trade payables**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>Trade payables:</b>		
Acceptances	40,11,67,440	7,17,72,565
Other than Acceptances	1,28,83,682	1,28,83,682
<b>Total</b>	<b>41,40,51,122</b>	<b>8,46,56,247</b>

**Note 18 - Other Current Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
(a) Current maturities of Long-term Debt	25,70,386	-
(b) Other payables		
(i) Statutory remittances	1,64,24,124	1,68,35,557
(ii) Interest payable on ICD		2,27,12,945
(iii) Contractually reimbursable expenses	9,38,911	7,46,374
(iv) Advances from customers	1,27,45,001	27,45,000
(v) Others	25,52,586	22,10,459
<b>Total</b>	<b>3,52,31,008</b>	<b>4,52,50,335</b>

Note (a) Current Maturities of Long- term debt

(Refer In Note 14 Long-term borrowings for details of Security and Gurantee)

**Note 19 - Short-term provisions**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Provision for Taxation	43,41,286	43,41,286
<b>Total</b>	<b>43,41,286</b>	<b>43,41,286</b>

**Note 20 - Revenue from operations**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Sale of Products	77,37,24,821	38,13,43,408
	<b>77,37,24,821</b>	<b>38,13,43,408</b>
Less:		
Excise duty (from 1st April 2017 to June 2017)	51,42,082	41,61,362
<b>Total</b>	<b>76,85,82,739</b>	<b>37,71,82,046</b>



Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
<b>Sale of products comprises :</b>		
Refrigerant Gases	10,07,48,160	7,32,15,220
Electrical Energy	12,59,14,134	12,97,06,201
<b>Total - Sale of Manufactured Goods</b>	<b>22,66,62,294</b>	<b>20,29,21,421</b>
<b>Traded Goods:</b>		
Solar Accessories	9,66,00,274	17,42,60,625
<b>Total - Sale of Traded Goods</b>	<b>9,66,00,274</b>	<b>17,42,60,625</b>
<b>Service Income</b>	44,53,20,171	-
<b>Total - Sale of Traded Goods</b>	<b>44,53,20,171</b>	<b>-</b>
<b>Total - Sale of Products</b>	<b>76,85,82,739</b>	<b>37,71,82,046</b>

#### Note 21 - Other Income

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Interest income (Refer Note (I) below)	1,28,91,723	1,66,59,664
Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	69,17,378	2,38,109
Foreign Exchange Fluctuation - Gain	6,03,206	
<b>Total</b>	<b>2,04,12,307</b>	<b>1,68,97,773</b>

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
(i) Interest income comprises:		
Interest from banks on:		
Deposits	1,726	1,041
Interest from Inter-Company Deposits on:	1,28,89,997	1,66,58,623
<b>Total - Interest income</b>	<b>1,28,91,723</b>	<b>1,66,59,664</b>

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
(ii) Other non-operating income comprises:		
Miscellaneous income	69,17,378	2,38,109
<b>Total - Other non-operating income</b>	<b>69,17,378</b>	<b>2,38,109</b>



**Note 22.a - Cost of Materials Consumed**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Opening stock	1,22,38,395	1,20,79,457
Add: Purchases (Net of Returns/Debit/Credit Notes)	10,27,01,784	4,42,87,932
	11,49,40,179	5,63,67,389
<b>Less: Closing stock</b>	5,22,60,124	1,22,38,395
<b>Cost of material consumed</b>	<b>6,26,80,055</b>	<b>4,41,28,994</b>
Material consumed comprises:		
Refrigerant Gases	10,27,01,784	4,42,87,932
<b>Total</b>	<b>10,27,01,784</b>	<b>4,42,87,932</b>

**Note 22 b - Purchase of Traded Goods**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Solar Accessories	9,40,45,957	15,38,92,500
Service Purchase	41,30,26,799	-
<b>Total</b>	<b>50,70,72,756</b>	<b>15,38,92,500</b>

**Note 23 - Employee Benefit Expenses**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Salaries and wages	94,41,439	46,94,459
Contributions towards Gratuity Provisions	-	2,69,615
Contribution to Provident Fund	19,788	-
Salary to Managing Director	13,50,000	12,00,000
Staff welfare expenses	7,85,553	5,55,912
<b>Total</b>	<b>1,15,96,780</b>	<b>67,19,986</b>

**Note 24 - Finance Costs**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
(a) Interest expense on:		
(i) Borrowings	1,09,96,487	9,898
(ii) Others	6,77,926	2,52,36,605
(b) Other borrowing costs	11,500	-
<b>Total</b>	<b>1,16,85,913</b>	<b>2,52,46,503</b>



## Note 25 - Other Expenses

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Advertisement	2,42,219	1,52,910
Audit fees	4,00,000	5,37,500
Annual General Meeting Expenses	23,177	10,436
AMC Charges	40,535	40,653
Bad Debts	2,56,762	-
Bank Charges & Commission	3,99,671	3,44,225
Books & Periodicals	11,816	11,375
Business promotion & Marketing Expenses	19,33,674	6,77,570
Clearing & Forwarding Charges	20,65,242	8,19,012
Club Membership Fees	46,000	6,000
Communication	7,02,276	6,43,317
Consumption of stores and spare parts	2,69,451	1,11,842
Customs duty	78,50,314	64,69,640
Contribution to Corporate Social Responsibility		4,33,090
Director Sitting Fees	60,000	66,000
Donation	13,78,540	-
Entertainment Expenses	2,25,854	54,484
Factory expenses	95,498	58,371
Food and Accommodation Expenses	5,31,413	2,38,960
Foreign Exchange Flucuation - Loss	-	49,489
General Expenses	2,366	90,950
Installation and Testing Charges	27,000	5,975
Insurance	6,34,177	4,31,363
Legal and professional	52,75,800	6,29,078
Office Maintenance	4,79,781	8,12,182
Pooja Expense	34,623	16,524
Postage & Courier	2,94,726	1,77,103
Power and fuel	6,85,324	8,30,837
Printing and stationery	6,26,350	4,00,215
Rates and taxes	65,12,409	13,74,898
Registration Charges	2,18,011	-
Rent including lease rentals (Refer Note 28.2.b)	13,09,25,557	12,75,33,854
Repairs and maintenance - Machinery	38,800	1,51,409
Repairs and maintenance - Vehicle	1,08,775	4,48,879
Repairs and maintenance - Others	2,78,804	2,82,149
Security Charges	2,70,630	2,90,362
Selling and Distribution Expenses	5,35,335	-
Subscription	58,726	48,838
Transportation, Handling and Carriage expenses	28,06,179	15,94,068
Travelling and conveyance	34,27,759	50,33,423
<b>Total</b>	<b>16,97,73,574</b>	<b>15,08,76,981</b>

## Note 26 - Exceptional Items

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Loss on Sale of Fixed Assets	5,29,257	8,270
<b>Total</b>	<b>5,29,257</b>	<b>8,270</b>

**Note 27 - Additional information to the Financial Statements**

	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
27.1	<b>Contingent liabilities and commitments</b> (to the extent not provided for)		
(i)	Contingent liabilities		
	(a) Disputed demand of Income tax & Sales Tax	17,35,08,627	7,52,06,820
	(b) Corporate Guarantee to Group Co.	37,48,00,000	37,48,00,000
	(c) Litigations	3,21,41,825	3,22,91,825
27.2	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	41,40,51,122	8,46,56,247
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
		For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
27.3	<b>Value of imports calculated on CIF basis</b> Refrigerant Gases	10,04,95,792	3,92,99,370
27.4	<b>Expenditure in foreign currency</b> Expenditure related to overseas Travel	3,03,779	-
27.5	<b>Earnings in foreign exchange</b> Export of goods calculated on FOB basis	1,07,32,321	-
27.6	<b>Amounts remitted in foreign currency during the year on account of dividend</b>	-	-

**Note 28 - Disclosures Under Accounting Standards****28.1 Related Party Transactions****28.1.a Details of related parties:**

Description of relationship	Names of related parties
Key Management Personnel (KMP)	"Mr.T.Anil Jain, Managing Director"
Wholly Owned Subsidiary	Vituza Solar Energy Limited
Entities in which KMP / Relatives of KMP can exercise significant influence	"Refex Wind Power Private Limited Refex Hydro Power Private Limited Refex Solar Power Private Limited Sherisha Technologies Private Limited Refex Energy Limited"

Note: Related parties have been identified by the Management.



**Details of related party transactions during the year ended 31 March, 2018 and balances outstanding as at 31 March, 2018**

28.1.b	Particulars	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Previous Year
	<b>Outstanding at the End of the Year</b>					
	<i>Non-Current Investments</i>					
	- Reflex Hydro Power Pvt Ltd	-	-	-	-	43,410
	- Reflex Wind Power Pvt Ltd	-	-	-	-	38,410
	- Vituza Solar Energy Ltd	-	-	-	5,00,000	5,00,000
	<b>Short-term Loans &amp; Advances</b>					
	- Sherisha Technologies Pvt Ltd	-	-	-	33,15,19,719	25,42,60,827
	- Reflex Solar Power Pvt Ltd	-	-	-	1,08,17,078	1,34,98,108
	Salary to Managing Director	-	13,50,000	-	-	-

Note.	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
28.2	<b>Details of leasing arrangements</b>		
28.2.a	The Company has entered into operating lease arrangements for its Corporate Office in Chennai and other branches. The leases are non-cancellable and are for a period of 3 years and may be renewed for a further period of 3 years based on mutual agreement of the parties.		
	<b>Future minimum lease payments</b>		
	not later than one year	9,25,000	4,90,000
	later than one year and not later than five years	15,80,000	-
	later than five years	-	-
		25,05,000	4,90,000
28.2.b	Leasing of Solar Energy Equipment and Operating Lease Agreement		
	<b>Future minimum lease payments</b>		
	not later than one year	10,85,53,208	10,99,49,776
	later than one year and not later than five years	42,67,29,969	36,75,88,596
	later than five years	1,34,94,73,928	-
		-	-
	Lease payments recognised in the Statement of Profit and Loss	13,09,25,557	12,75,33,854

Note	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
28.3	Net profit / (loss) for the year	94,25,740	46,30,821
	Less: Preference dividend and tax thereon		
	Net profit / (loss) for the year attributable to the equity shareholders	94,25,740	46,30,821
	Weighted average number of equity shares	1,54,75,176	1,54,75,176
	Par value per share (Rs.)	10	10
	Earnings per share - Basic	0.61	0.30

**Segment Wise Revenue, Results and Capital Employed**

Note	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
29	<b>1. Segment Revenue (Net Sales/Income)</b>		
	a. Solar Power (including Trading of Solar Accessories)	12,59,14,134	30,39,66,826
	b. Trading	9,66,00,274	
	c. Refrigerant Gases	10,07,48,160	7,32,15,220
	d. Service Income	44,53,20,171	
	<b>Total</b>	<b>76,85,82,739</b>	<b>37,71,82,046</b>
	<b>2. Segment Results</b>		
	(Profit/Loss before interest and tax)		
	a. Solar Power (including Trading of Solar Accessories)	(19,96,237)	2,57,65,669
	b. Trading	25,54,317	
	c. Refrigerant Gas	(2,02,97,081)	(1,20,84,768)
	d. Service	2,83,94,888	
	<b>Total</b>	<b>86,55,887</b>	<b>1,36,80,901</b>
	<b>Less: Finance Cost</b>	<b>1,16,85,913</b>	<b>2,52,46,503</b>
	<b>Add : Other Income</b>	<b>2,04,12,307</b>	<b>1,68,97,773</b>
	<b>Profit / (Loss) before Tax</b>	<b>1,73,82,281</b>	<b>53,32,171</b>
	<b>3. Capital Employed (Segment Assets Less Segment Liabilities)</b>		
	a. Solar Power (including Trading of Solar Accessories)	-	-
	b. Refrigerant Gas	52,58,13,906	50,80,08,681
	<b>Total</b>	<b>52,58,13,906</b>	<b>50,80,08,681</b>
Note 30	Previous Year figures have been regrouped/reclassified wherever necessary to conform to the current year's presentation.		

Signature to Notes 1 to 30

As per our Audit Report of even date  
For **M.KRISHNAKUMAR & ASSOCIATES**  
Chartered Accountants  
Firm Registration.No:006853S

**M.Krishna Kumar B.SC FCA**  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

For and on behalf of the Board of Directors

**T.Anil Jain**  
Managing Director  
DIN No. 00181960

**Dinesh Kumar Agarwal**  
Director  
DIN No. 07544757

**D.Hem Senthil Raj**  
Director  
DIN No. 06760725

**Jamuna RaviKumar**  
Director  
DIN No. 08009308

**U.Lalitha**  
Chief Financial Officer

**S.Gopalakrishnan**  
Company Secretary



## Refex Industries Limited

### Cash Flow Statement for the year ended 31st March, 2018

(Figures for the previous year have been rearranged to confirm with the revised presentation)

	Particulars	For the Year Ended As at 31 <sup>st</sup> March 2018		For the Year Ended As at 31 <sup>st</sup> March 2017	
		₹		₹	
<b>A.</b>	<b>NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>		1,73,82,282		53,32,171
	<b>ADJUSTMENTS FOR:</b>				
	Depreciation	82,74,428		78,74,413	
	Finance costs	1,16,85,913		2,52,46,503	
	Interest Income	(1,28,91,723)		(1,66,59,664)	
	Fixed Assets - (Profit)/Loss on Sale	529,257		8,270	
	<b>Total</b>		<b>75,97,875</b>		<b>1,64,69,522</b>
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		2,49,80,157		2,18,01,693
	<b>ADJUSTMENTS FOR :</b>				
	Trade and Other Receivables		(33,65,79,131)		59,57,38,127
	Inventories		(4,00,21,729)		(1,58,938)
	Trade Payables and other Current Liabilities		31,93,75,548		(57,56,89,285)
	<b>CASH GENERATED FROM OPERATIONS</b>		<b>(3,22,45,156)</b>		<b>4,16,91,597</b>
	Short Term Provisions Net		-		-
	Cash Flow before Exceptional items		(3,22,45,156)		4,16,91,597
	<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(3,22,45,156)</b>		<b>4,16,91,597</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
	Purchase of Fixed Assets	(66,60,020)		(34,69,751)	
	Purchase of Current Investments	81,820		(60)	
	Sale of Fixed Assets	7,97,514		4,500	
	Interest Received	1,28,91,723		1,66,59,664	
	Loans and Advances	(2,09,99,961)		(18,82,933)	
	Other Non Current Assets	90,59,149		(1,60,46,392)	
	<b>Total</b>		<b>(48,29,775)</b>		<b>(47,34,972)</b>
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(3,70,74,930)</b>		<b>3,69,56,625</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
	Repayments of Long Term Borrowings	-		(36,76,09,953)	
	Increase of Long Term Borrowings	4,80,61,782		36,08,07,784	
	Interest Paid	(1,16,85,915)		(2,52,46,503)	
	Increase of Long Term Provisions	0		2,69,615	
	<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>		<b>3,63,75,867</b>		<b>(3,17,79,057)</b>
	<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(6,99,063)		51,77,568
	<b>OPENING CASH AND CASH EQUIVALENTS</b>		76,35,312		24,57,744
	<b>CLOSING CASH AND CASH EQUIVALENTS</b>		69,36,249		76,35,312
	<b>CASH AND CASH EQUIVALENTS COMPRISE :</b>				
	Cash and Bank Balances	69,36,249		76,35,312	
	Unrealised Loss / (Gain) on Foreign Currency Cash and Cash Equivalents	-		-	
			69,36,249		76,35,312

As per our Audit Report of even date  
For M.KrishnaKumar & Associates  
Chartered Accountants  
Firm Registration.No:006853S

M.Krishna Kumar B.SC FCA  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

For and on behalf of the Board of Directors

T.Anil Jain  
Managing Director  
DIN No. 00181960

Dinesh Kumar Agarwal  
Director  
DIN No. 07544757

D.Hem Senthil Raj  
Director  
DIN No. 06760725

Jamuna RaviKumar  
Director  
DIN No. 08009308

U.Lalitha  
Chief Financial Officer

S.Gopalakrishnan  
Company Secretary



## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of Refex Industries Limited**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Refex Industries Limited (hereinafter referred to as “the Holding Company”), its subsidiary (the Holding Company and its subsidiary together referred to as “the Group), which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to preparation and presentation of these Consolidated financial statements 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. This responsibility also includes the 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; 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified u/s 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 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 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the 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 paragraph of the other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

***Basis for Qualified Opinion:***

***The Holding Company is not providing for liability for gratuity as per actuarial valuation which is not in accordance of the Accounting Standard on Provision for Gratuity (AS-15) (Refer Note 2(lin notes forming part of Financial Statements) issued by The Institute of Chartered Accountants of India and the impact of which is unascertainable.***

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion above, 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.

- (a) in the case of Balance Sheet, of the state of affairs of the Group as at March 31, 2018;
- (b) in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We / the other auditors whose reports we have relied upon 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 of the aforesaid Consolidated financial statements.
  - b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.

- c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated financial statements.
- d. In our opinion, except for the effects of the matter described in the Basis for Qualified opinion paragraph, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rule issued thereunder.;
- e. On the basis of written representations received from the Directors of the Holding Company as as on 31st March 2018 taken on record by the Board of Directors of the Holding Company and the report of the Statutory Auditors of its subsidiary company incorporated in India, none of the directors of the Holding Company and its subsidiary company incorporated in India, are disqualified as on 31st March 2018 from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **“Annexure A”**.
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Holding Company has disclosed the impact of pending litigations as at March 31,2018 on its Consolidated financial position in its Consolidated financial statements as mentioned in Note 25.1(i).
  - ii. The Holding Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. The Holding Company had an amount of Rs.43,674 being the unclaimed dividend declared in the AGM held in Nov 2009 and due for transfer to Investor Education and Protection Fund (IEPF) by the holding Company, but the same has been transferred to IEPF as on 31st July 2017.

### Other Matter

We did not audit the financial statements of one subsidiary company, whose financial statements reflect total assets of Rs. 1.01 Lakhs as at 31st March, 2018, total revenue of NIL and net cash flows amounting to Rs. 0.29 lakhs for the year ended on that date, as considered in the consolidated



financial statements. The financial statement have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

**For M. KRISHNAKUMAR & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 006853S**

**Place: Chennai**  
**Date: 25th May 2018**

**M. KRISHNA KUMAR, B.Sc., FCA**  
**Proprietor**  
**Membership No.203929**

**“Annexure A” to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Reflex Industries Limited  
Report on the Internal Financial Controls under Claus (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Reflex Industries Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the Consolidated financial statements of the Holding Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Holding Company and its subsidiary company incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. KRISHNAKUMAR & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 006853S**

**Place: Chennai**  
**Date: 25th May 2018**

**M. KRISHNA KUMAR, B.Sc., FCA**  
**Proprietor**  
**Membership No.203929**

## Reflex Industries Limited

## Consolidated Balance Sheet as at 31st March, 2018

	Particulars	Note No.	As at 31 <sup>st</sup> March 2018 ₹	As at 31 <sup>st</sup> March 2017 ₹
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	Tangible assets	3	14,30,87,399	14,60,28,577
	(b) Deferred Tax Asset (Net)		-	62,12,343
	(c) Non-current investments	4	-	81,820
	(d) Long term Loans & Advances	5	4,01,81,335	1,91,81,374
	(e) Other Non-Current Assets	6	1,48,95,342	2,39,54,492
			<b>19,81,64,076</b>	<b>19,54,58,606</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	7	5,22,60,124	1,22,38,395
	(b) Trade receivables	8	36,51,36,731	8,98,17,975
	(c) Cash and cash equivalents	9	69,65,205	76,50,346
	(d) Short-term loans and advances	10	34,52,88,474	28,03,43,940
	(e) Other Current Assets	11	1,12,24,002	1,49,92,760
			<b>78,08,74,536</b>	<b>40,50,43,416</b>
	<b>TOTAL Assets</b>		<b>97,90,38,612</b>	<b>60,05,02,022</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	12	15,47,51,760	15,47,51,760
	(b) Reserves and surplus	13	(4,37,50,140)	(5,31,24,203)
			<b>11,10,01,620</b>	<b>10,16,27,557</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	14	35,53,88,274	34,95,27,017
	(b) Deferred tax liabilities (Net)		17,44,199	-
	(c) Other long-term liabilities	15	5,41,40,253	1,19,39,728
	(d) Long-term provisions	16	31,27,101	31,27,101
			<b>41,43,99,827</b>	<b>36,45,93,846</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Trade payables	17	41,40,51,123	8,46,56,247
	(b) Other current liabilities	18	3,52,44,757	4,52,83,086
	(c) Short-term provisions	19	43,41,286	43,41,286
			<b>45,36,37,166</b>	<b>13,42,80,619</b>
	<b>TOTAL Liabilities</b>		<b>97,90,38,612</b>	<b>60,05,02,022</b>
	<b>See accompanying Notes forming part of the Financial Statements</b>	<b>27-30</b>		

Notes 1 to 30 form part of Financials  
In terms of our report attached.  
For **M.KRISHNAKUMAR & ASSOCIATES**  
Chartered Accountants  
Firm Registration.No:006853S

**M.Krishna Kumar B.SC FCA**  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

For and on behalf of the Board of Directors

**T.Anil Jain**  
Managing Director  
DIN No. 00181960

**Dinesh Kumar Agarwal**  
Director  
DIN No. 07544757

**D.Hem Senthil Raj**  
Director  
DIN No. 06760725

**Jamuna RaviKumar**  
Director  
DIN No. 08009308

**U.Lalitha**  
Chief Financial Officer

**S.Gopalakrishnan**  
Company Secretary





# Refex Industries Limited

## Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2018

	Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
			₹	₹
	<b>INCOME</b>			
1	Revenue from operations ( Net )	20	76,85,82,739	37,71,82,046
2	Other income	21	2,04,12,307	1,68,97,773
3	<b>TOTAL INCOME (1+2)</b>		<b>78,89,95,046</b>	<b>39,40,79,819</b>
4	<b>EXPENSES</b>			
	(a) Cost of Materials Consumed	22.a	6,26,80,055	4,41,28,994
	(b) Purchase of Traded goods	22.b	50,70,72,756	15,38,92,500
	(c) Employee Benefits Expense	23	1,15,96,780	67,19,986
	(d) Finance costs	24	1,16,85,913	2,52,46,503
	(e) Depreciation and Amortisation Expense	3	82,74,428	78,74,413
	(f) Other expenses	25	16,98,25,252	15,09,45,800
	<b>TOTAL EXPENSES</b>		<b>77,11,35,184</b>	<b>38,88,08,196</b>
5	<b>Profit / (Loss) before exceptional items and tax (3 - 4)</b>		<b>1,78,59,861</b>	<b>52,71,623</b>
6	Exceptional items	26	5,29,257	8,270
7	<b>Profit / (Loss) before tax (5 - 6)</b>		<b>1,73,30,604</b>	<b>52,63,353</b>
8	<b>Tax expense:</b>			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Net current tax expense		-	-
	(d) Deferred tax (Asset)		(79,56,542)	(7,01,350)
	<b>Total</b>		<b>(79,56,542)</b>	<b>(7,01,350)</b>
9	<b>Profit / (Loss) for the year (7 - 8)</b>		<b>93,74,062</b>	<b>45,62,003</b>
10	<b>Earnings per share (of Rs.10/- each):</b>			
	Basic and Diluted	28.3	0.61	0.29
	Weighted Average number of Equity Shares (F.V of Rs.10/- each)		1,54,75,176	1,54,75,176
	<b>See accompanying notes forming part of the Financial Statements</b>	<b>27-30</b>		

Notes 1 to 30 form part of Financials  
In terms of our report attached.  
For M.KRISHNAKUMAR & ASSOCIATES  
Chartered Accountants  
Firm Registration.No:006853S

M.Krishna Kumar B.SC FCA  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

For and on behalf of the Board of Directors

T.Anil Jain  
Managing Director  
DIN No. 00181960

Dinesh Kumar Agarwal  
Director  
DIN No. 07544757

D.Hem Senthil Raj  
Director  
DIN No. 06760725

Jamuna RaviKumar  
Director  
DIN No. 08009308

U.Lalitha  
Chief Financial Officer

S.Gopalakrishnan  
Company Secretary



**REFEX INDUSTRIES LIMITED**  
**CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Note	Particulars
<b>1</b>	<p><b>Corporate Information</b></p> <p>Refex Industries Limited (formerly Refex Refrigerants Ltd referred as "RRL") or the Company is engaged in the business of refilling of eco friendly Refrigerant Gases. The Company's portfolio consists of trading and re filling of Refrigerant Gases.</p> <p>The Company is also into Sale of Electrical Energy based on generation of power and Sale of Solar Accessories and Job Service related works etc.,</p> <p>The Company's registered office is in Chennai, Tamilnadu, India and its Factory is situated in Thiruporur, Kanchipuram District, TamilNadu.</p>
<b>2</b>	<p><b>Significant Accounting Policies</b></p>
<b>a</b>	<p><b>Basis of Accounting and Preparation of Financial Statements</b></p> <p>The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
<b>b</b>	<p><b>Use of Estimates</b></p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
<b>c</b>	<p><b>Inventories</b></p> <p>Inventories are valued at the lower of cost (on FIFO / weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.</p>



<b>d</b>	<p><b>Depreciation and Amortisation</b></p> <p>Depreciation has been provided on the Straight Line Method as per the rates prescribed in Schedule II to the Companies Act, 2013.</p>
<b>e</b>	<p><b>Revenue Recognition</b></p> <p><u>i) Sale of goods</u></p> <p>Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are stated including Excise Duty but excluding sales tax and value added tax(Considered from April 2017 to June 2017) and GST from July 2017 to March 2018.</p> <p><u>ii) Sale of Electrical Energy</u></p> <p>Sale of electrical energy is recognised on acceptance by Electricity Board of units generated.</p>
<b>f</b>	<p><b>Other Income</b></p> <p>Interest income is accounted on accrual basis.</p>
<b>g</b>	<p><b>Fixed Assets</b></p> <p>Fixed Assets are stated at Cost, less accumulated depreciation/amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.</p>
<b>h</b>	<p><b>Investments</b></p> <p>"Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. Provision for diminution in the value of long term investments is made only if such decline is other than temporary."</p>
<b>i</b>	<p><b>Employee Benefits</b></p> <p>Employee benefits include provident fund, gratuity fund and compensated absences.</p> <p><u>Defined Contribution Plans</u></p> <p>The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p><u>Defined Benefit Plans</u></p> <p>For defined benefit plans in the form of gratuity fund, the cost of providing benefits is not ascertainable as the Company is yet to evolve a scheme for the same.</p> <p><u>Short-term Employee Benefits</u></p> <p>"The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such</p>

compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur."

#### Long-term Employee Benefits

The Company does not have a Scheme for Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### **j Borrowing Costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### **k Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share, if any, is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

#### **l Taxes on Income**

"Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company."



Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

**m Impairment of Assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

**n Provisions and Contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the 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 disclosed in the Notes.

**o Foreign Currency Transactions**

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate.

**Note 3 - Fixed assets for the year ended 2018**

Tangible assets	Gross Block				Accumulated Depreciation and Impairment				Net Block	
	Balance as at 1 April, 2017	Additions	Disposals	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2018	Balance as at 31 March, 2018	Balance as at 31 March, 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
(a) Land Own use	9,00,52,038	-	-	9,00,52,038	-	-	-	-	9,00,52,038	9,00,52,038
(b) Building Owned	2,83,78,750	-	-	2,83,78,750	79,84,648	13,71,147	-	93,55,795	1,90,22,955	2,03,94,102
(c) Electrical Installation Owned	1,89,73,165	-	-	1,89,73,165	98,10,201	17,53,261	-	1,15,63,462	74,09,703	91,62,964
(d) Furniture & Fittings Owned	98,61,219	-	-	98,61,219	69,29,134	6,22,449	-	75,51,583	23,09,636	29,32,085
(e) Office equipment Owned	33,30,047	5,64,527	-	38,94,574	21,27,317	3,54,690	-	24,82,007	14,12,567	12,02,730
(f) Plant & Machinery - Cylinders Owned	8,84,18,696	15,44,900	-	8,99,63,596	7,58,40,754	29,11,395	-	7,87,52,149	1,12,11,447	1,25,77,942
(g) Plant & Machinery - Others Owned	3,01,73,631	14,31,594	-	3,16,05,225	2,59,23,988	3,88,871	-	2,63,12,859	52,92,366	42,49,643
(h) Vehicles - Commercial Owned	97,474	-	-	97,474	30,474	-	-	30,474	67,000	67,000
(i) Vehicles - Non Commercial Owned	98,67,982	31,18,999	38,04,126	91,82,855	44,77,908	8,72,615	24,77,355	28,73,168	63,09,687	53,90,074
<b>Total</b>	<b>27,91,53,002</b>	<b>66,60,020</b>	<b>38,04,126</b>	<b>28,20,08,896</b>	<b>13,31,24,424</b>	<b>82,74,428</b>	<b>24,77,355</b>	<b>13,89,21,497</b>	<b>14,30,87,399</b>	<b>14,60,28,578</b>
<b>Previous year</b>	<b>27,57,76,224</b>	<b>34,69,751</b>	<b>92,973</b>	<b>27,91,53,002</b>	<b>12,53,30,215</b>	<b>78,74,413</b>	<b>80,203</b>	<b>13,31,24,425</b>	<b>14,60,28,577</b>	<b>15,04,46,009</b>



## REFEX INDUSTRIES LIMITED

### CONSOLIDATED NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### Note 4 - Non-Current Investments

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Quantity Nos	Unquoted ₹	Quantity Nos	Unquoted ₹
<b>Investments (At cost):</b>				
A. Non Trade-Unquoted				
(a) Investment in Equity Shares - Refex Hydro Power Pvt Ltd of Rs.10/- each.	-	-	4,341	43,410
(b) Investment in Equity Shares - Refex Wind Power Pvt Ltd of Rs.10/- each.	-	-	3,841	38,410
<b>Total - Non Trade</b>	-	-	<b>8,182</b>	<b>81,820</b>

\*Refex Hydro Power Pvt Ltd and Refex Wind Power Pvt Ltd shares held by Refex Industries Limited sold at cost on 23rd August 2017 to Sherisha Technologies Private Limited

#### Note 5 - Long-term Loans and Advances

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Security Deposits		
Unsecured, considered good	1,74,45,492	1,74,45,492
TDS Receivable	2,26,83,439	17,13,748
TCS Receivable	52,404	22,134
<b>Total</b>	<b>4,01,81,335</b>	<b>1,91,81,374</b>

#### Note 6 - Other Non- Current Assets

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Other Non-Current Assets		
Unsecured, considered good	1,05,47,734	77,42,238
(i) CENVAT credit receivable	6,348	1,35,30,937
(ii) VAT credit receivable	-	24,48,056
(iv) GST Receivables	43,41,260	-
(iii) Service Tax credit receivable	-	2,33,261
<b>Total</b>	<b>1,48,95,342</b>	<b>2,39,54,492</b>

**Note 7 - Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Raw Materials	5,22,60,124	1,22,38,395
<b>Total</b>	<b>5,22,60,124</b>	<b>1,22,38,395</b>

Note: Details of Inventory of Raw Materials

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Refrigerant Gases	5,22,60,124	1,22,38,395

**Note 8 - Trade Receivables - Unsecured, considered good**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	8,52,76,371	7,18,66,047
Trade receivables less than six months	27,98,60,360	1,79,51,928
<b>Total</b>	<b>36,51,36,731</b>	<b>8,98,17,975</b>

**Note 9 - Cash and Cash Equivalents**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
(a) Cash on hand	15,27,412	9,00,604
(b) Balances with banks		
(i) In current accounts	52,49,919	67,39,742
(ii) In EEFC accounts	22,874	-
(ii) In deposit accounts	1,65,000	10,000
<b>Total</b>	<b>69,65,205</b>	<b>76,50,346</b>





#### Note 10 - Short-term Loans and advances

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>(a) Loans and advances to related parties (Refer Note 28.1.b)</b>		
Secured, considered good	-	-
Unsecured, considered good	34,24,09,132	26,79,15,871
<b>Sub Total</b>	<b>34,24,09,132</b>	<b>26,79,15,871</b>
<b>(b) Loans and advances to employees</b>		
Secured, considered good	1,59,000	1,66,500
<b>Sub Total</b>	<b>1,59,000</b>	<b>1,66,500</b>
<b>(c) Others - Advances for Purchase of Goods and Services</b>		
Unsecured, considered good	15,43,928	1,16,40,501
Prepaid Expenses	11,76,414	6,21,068
<b>Sub Total</b>	<b>27,20,342</b>	<b>1,22,61,569</b>
<b>Total</b>	<b>34,52,88,474</b>	<b>28,03,43,940</b>

#### Note 11 - Other Current Assets

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Interest Receivable	1,12,24,002	1,49,92,760
<b>Total</b>	<b>1,12,24,002</b>	<b>1,49,92,760</b>

#### Note 12 - Share Capital

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number of shares	₹	Number of shares	₹
<b>(a) AUTHORISED</b>				
Equity shares of Rs.10/- each with voting rights	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
Cumulative Redeemable preference shares of Rs.100/- each	5,00,000	5,00,00,000	5,00,000	5,00,00,000
<b>(b) ISSUED</b>				
Equity shares of Rs.10/- each with voting rights	1,54,75,176	15,47,51,760	1,54,75,176	15,47,51,760
<b>(c) SUBSCRIBED AND FULLY PAID UP</b>				
Equity shares of Rs.10/- each with voting rights	1,54,75,176	15,47,51,760	1,54,75,176	15,47,51,760
<b>Total</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>

Refer Notes (i) to (iii) below

**(i) Reconciliation of number of Shares**

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number of shares	₹	Number of shares	₹
<b>Equity Shares</b>				
Opening Balance	1,54,75,176	15,47,51,760	1,54,75,182	15,47,51,820
Less: Changes during the year	-	-	6	60
<b>Closing Balance</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>	<b>1,54,75,176</b>	<b>15,47,51,760</b>

**(ii) Rights, preferences and restrictions attached to Shares**

The Company has one class of Equity Shares having a face value of Rs.10/- each. Each Shareholder is eligible for one vote per Share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the 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 amounts, in proportion to their shareholding.

**(iii) Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sherisha Technologies Private Limited	20,83,411	13.46%	20,83,411	13.46%
<b>T.Anil Jain</b>	<b>19,57,796</b>	<b>12.65%</b>	<b>19,57,796</b>	<b>12.65%</b>

**Note 13 - Reserves and Surplus**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>(a) Securities Premium Account</b>		
Opening Balance	23,24,11,967	23,24,11,967
Add: Additions during the year	-	-
<b>Closing Balance</b>	<b>23,24,11,967</b>	<b>23,24,11,967</b>
<b>(b) General Reserve</b>		
Opening balance	4,22,10,000	4,22,10,000
Add: Transferred from surplus in Statement of Profit and Loss	-	-
<b>Closing balance</b>	<b>4,22,10,000</b>	<b>4,22,10,000</b>
<b>(c) Deficit in Statement of Profit and Loss</b>		
Opening balance	(32,77,46,170)	(33,23,08,172)
Add: Profit / (Loss) for the year	93,74,062	45,62,003
<b>Closing balance</b>	<b>(31,83,72,108)</b>	<b>(32,77,46,170)</b>
<b>Total</b>	<b>(4,37,50,141)</b>	<b>(5,31,24,203)</b>



## Note 14 - Long-Term Borrowings

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>Term Loans</b>		
Long Term Maturities of Finance Lease Obligation	32,70,857	
<b>Inter Corporate Deposits</b>		
Secured	59,70,082	59,70,082
Unsecured	34,60,75,000	34,34,00,000
<b>Others</b>	72,335	1,56,935
<b>Total</b>	<b>35,53,88,274</b>	<b>34,95,27,017</b>

## Note 14 - Long-term Borrowings (contd.)

Particulars	Terms of repayment and security	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
		Secured ₹	Unsecured ₹	Secured ₹	Unsecured ₹
Term loans from banks:					
HDFC Bank Ltd	Term : 36 Months Interest Rate: 16 % Security: NIL	-	13,90,676	-	-
HDFC Bank Ltd	Term : 23 Months Interest Rate: 9.50% Security: Fork lift machine	2,60,839	-	-	-
<b>Total - Term loans from banks</b>		<b>2,60,839</b>	<b>13,90,676</b>	<b>-</b>	<b>-</b>
<b>Term loans from other parties:</b>					
Toyota Financial services India Ltd	Term : 36 Months Interest Rate: 8.40% Security: Vehicle-car	16,19,343	-	-	-
<b>Total - Term loans from Other Parties</b>		<b>16,19,343</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total - Term loans</b>		<b>18,80,182</b>	<b>13,90,676</b>	<b>-</b>	<b>-</b>

For the current maturities of long-term borrowings, refer items (a) in Note 18 Other Current Liabilities.

## Note 15 - Other Long Term Liabilities

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
(a) UnClaimed Dividend	-	1,08,318
(b) Interest on InterCorporate Deposits	5,41,40,253	1,18,31,410
<b>Total</b>	<b>5,41,40,253</b>	<b>1,19,39,728</b>

## Note 16 - Long - Term Provisions

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Provision for employee benefits	31,27,101	31,27,101
<b>Total</b>	<b>31,27,101</b>	<b>31,27,101</b>

**Note 17 - Trade payables**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
<b>Trade payables:</b>		
Acceptances	40,11,67,441	7,17,72,565
Other than Acceptances	1,28,83,682	1,28,83,682
<b>Total</b>	<b>41,40,51,123</b>	<b>8,46,56,247</b>

**Note 18 - Other Current Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
(a) Current maturities of Long-term Debt	25,70,386	-
(b) Other payables		
(i) Statutory remittances	1,64,24,125	1,68,35,558
(ii) Interest payable on ICD	-	2,27,12,945
(iii) Contractually reimbursable expenses	9,38,911	7,46,374
(iv) Advances from customers	1,27,45,000	27,45,000
(v) Others	25,66,335	22,43,209
<b>Total</b>	<b>3,52,44,757</b>	<b>4,52,83,086</b>

Note (a) Current Maturities of Long- term debt  
(Refer In Note 14 Long-term borrowings for details of Security and Gurantee)

**Note 19 - Short-term provisions**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	₹	₹
Provision for Taxation	43,41,286	43,41,286
<b>Total</b>	<b>43,41,286</b>	<b>43,41,286</b>

**Note 20 - Revenue from operations**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Sale of Products	77,37,24,821	38,13,43,408
	<b>77,37,24,821</b>	<b>38,13,43,408</b>
<b>Less:</b>		
Excise duty (from 1st April 2017 to June 2017)	51,42,082	41,61,362
<b>Total</b>	<b>76,85,82,739</b>	<b>37,71,82,046</b>



Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
<b>Sale of products comprises :</b>		
Refrigerant Gases	10,07,48,160	7,32,15,220
Electrical Energy	12,59,14,134	12,97,06,201
<b>Total - Sale of Manufactured Goods</b>	<b>22,66,62,294</b>	<b>20,29,21,421</b>
Traded Goods:		
Solar Accessories	9,66,00,274	17,42,60,625
<b>Total - Sale of Traded Goods</b>	<b>9,66,00,274</b>	<b>17,42,60,625</b>
<b>Service Income</b>	<b>44,53,20,171</b>	<b>-</b>
<b>Total - Sale of Traded Goods</b>	<b>44,53,20,171</b>	<b>-</b>
<b>Total - Sale of Products</b>	<b>76,85,82,739</b>	<b>37,71,82,046</b>

#### Note 21 - Other Income

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Interest income (Refer Note (i) below)	1,28,91,723	1,66,59,664
Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	69,17,378	2,38,109
Foreign Exchange Flucuation - Gain	6,03,206	
<b>Total</b>	<b>2,04,12,307</b>	<b>1,68,97,773</b>

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
<b>(i) Interest income comprises:</b>		
Interest from banks on:		
Deposits	1,726	1,041
Interest from Inter-Company Deposits on:	1,28,89,997	1,66,58,623
<b>Total - Interest income</b>	<b>1,28,91,723</b>	<b>1,66,59,664</b>

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
<b>(ii) Other non-operating income comprises:</b>		
Miscellaneous income	69,17,378	2,38,109
<b>Total - Other non-operating income</b>	<b>69,17,378</b>	<b>2,38,109</b>

**Note 22.a - Cost of Materials Consumed**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Opening stock	1,22,38,395	1,20,79,457
Add: Purchases (Net of Returns/Debit/Credit Notes)	10,27,01,784	4,42,87,932
	<b>11,49,40,179</b>	<b>5,63,67,389</b>
<b>Less: Closing stock</b>	5,22,60,124	1,22,38,395
<b>Cost of material consumed</b>	<b>6,26,80,055</b>	<b>4,41,28,994</b>
<b>Material consumed comprises:</b>		
Refrigerant Gases	10,27,01,784	4,42,87,932
<b>Total</b>	<b>10,27,01,784</b>	<b>4,42,87,932</b>

**Note 22.b Purchase of Traded Goods**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Solar Accessories	9,40,45,957	15,38,92,500
Service Purchase	41,30,26,799	-
<b>Total</b>	<b>50,70,72,756</b>	<b>15,38,92,500</b>

**Note 23 - Employee Benefit Expenses**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Salaries and wages	94,41,439	46,94,459
Contributions towards Gratuity Provisions	-	2,69,615
Contribution to Provident Fund	19,788	-
Salary to Managing Director	13,50,000	12,00,000
Staff welfare expenses	7,85,553	5,55,912
<b>Total</b>	<b>1,15,96,780</b>	<b>67,19,986</b>

**Note 24 - Finance Costs**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
(a) Interest expense on:		
(i) Borrowings	1,09,96,487	9,898
(ii) Others	6,77,926	2,52,36,605
(b) Other borrowing costs	11,500	-
<b>Total</b>	<b>1,16,85,913</b>	<b>2,52,46,503</b>



## Note 25 - Other Expenses

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Advertisement	2,42,219	1,52,910
Audit fees	4,06,000	5,43,500
Annual General Meeting Expenses	23,177	10,436
AMC Charges	40,535	40,653
Bad Debts	2,56,762	-
Bank Charges & Commission	4,01,151	3,48,993
Books & Periodicals	11,816	11,375
Business promotion & Marketing Expenses	19,33,674	6,77,570
Clearing & Forwarding Charges	20,65,242	8,19,012
Club Membership Fees	46,000	6,000
Communication	7,02,276	6,43,317
Consumption of stores and spare parts	2,69,451	1,11,842
Customs duty	78,50,314	64,69,640
Contribution to Corporate Social Responsibility	-	4,33,090
Director Sitting Fees	60,000	66,000
Donation	13,78,540	-
Entertainment Expenses	2,25,854	54,484
Factory expenses	95,498	58,371
Food and Accommodation Expenses	5,31,413	2,38,960
Foreign Exchange Flucuation - Loss	-	49,489
General Expenses	2,366	90,950
Installation and Testing Charges	27,000	5,975
Insurance	6,34,177	4,31,363
Legal and professional	52,96,000	6,58,328
Office Maintenance	4,79,781	8,12,182
Pooja Expense	34,623	16,524
Postage & Courier	2,94,726	1,77,103
Power and fuel	6,85,324	8,30,837
Printing and stationery	6,26,350	4,00,215
Rates and taxes	65,36,409	14,03,698
Registration Charges	2,18,011	-
Rent including lease rentals (Refer Note 28.2.b)	13,09,25,557	12,75,33,854
Repairs and maintenance - Machinery	38,800	1,51,409
Repairs and maintenance - Vehicle	1,08,775	4,48,879
Repairs and maintenance - Others	2,78,804	2,82,149
Security Charges	2,70,630	2,90,362
Selling and Distribution Expenses	5,35,335	-
Subscription	58,726	48,839
Transportation, Handling and Carriage expenses	28,06,178	15,94,068
Travelling and conveyance	34,27,758	50,33,423
<b>Total</b>	<b>16,98,25,252</b>	<b>15,09,45,800</b>

## Note 26 - Exceptional Items

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	₹	₹
Loss on Sale of Fixed Assets	5,29,257	8,270
<b>Total</b>	<b>5,29,257</b>	<b>8,270</b>



**Note 27 - Additional information to the Financial Statements**

	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
27.1	Contingent liabilities and commitments (to the extent not provided for)		
(i)	Contingent liabilities		
	(a) Disputed demand of Income tax & Sales Tax	17,35,08,627	7,52,06,820
	(b) Corporate Guarantee to Group Co.	37,48,00,000	37,48,00,000
	(c) Litigations	3,21,41,825	3,22,91,825
27.2	<b>Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	41,40,51,123	8,46,56,247
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
		For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
27.3	<b>Value of imports calculated on CIF basis</b> Refrigerant Gases	10,04,95,792	3,92,99,370
27.4	<b>Expenditure in foreign currency</b> Expenditure related to overseas Travel	3,03,779	-
27.5	<b>Earnings in foreign exchange</b> Export of goods calculated on FOB basis	1,07,32,321	-
27.6	<b>Amounts remitted in foreign currency during the year on account of dividend</b>	-	-

**Note 28 - Disclosures Under Accounting Standards****28.1 Related Party Transactions****28.1.a Details of related parties:**

Description of relationship	Names of related parties
Key Management Personnel (KMP)	"Mr.T.Anil Jain, Managing Director"
Wholly Owned Subsidiary	Vituza Solar Energy Limited
Entities in which KMP / Relatives of KMP can exercise significant influence	"Refex Wind Power Private Limited Refex Hydro Power Private Limited Refex Solar Power Private Limited Sherisha Technologies Private Limited Refex Energy Limited"

Note: Related parties have been identified by the Management.



**Details of related party transactions during the year ended 31 March, 2018 and balances outstanding as at 31 March, 2018**

28.1.b	Particulars	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Previous Year
	<b><u>Outstanding at the End of the Year</u></b>					
	<i>Non-Current Investments</i>					
	- Reflex Hydro Power Pvt Ltd	-	-	-	-	43,410
	- Reflex Wind Power Pvt Ltd	-	-	-	-	38,410
	<b>Short-term Loans &amp; Advances</b>					
	- Sherisha Technologies Pvt Ltd	-	-	-	33,15,19,719	25,42,60,827
	- Reflex Solar Power Pvt Ltd	-	-	-	1,08,17,078	1,34,98,108
	Salary to Managing Director	-	13,50,000	-	-	-

	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
28.2	<b>Details of leasing arrangements</b>		
28.2.a	The Company has entered into operating lease arrangements for its Corporate Office in Chennai and other branches. The leases are non-cancellable and are for a period of 3 years and may be renewed for a further period of 3 years based on mutual agreement of the parties.		
	<b>Future minimum lease payments</b>		
	not later than one year	9,25,000	4,90,000
	later than one year and not later than five years	15,80,000	-
	later than five years	-	-
		25,05,000	4,90,000
28.2.b	Leasing of Solar Energy Equipment and Operating Lease Agreement		
	<b>Future minimum lease payments</b>		
	not later than one year	10,85,53,208	10,99,49,776
	later than one year and not later than five years	42,67,29,969	36,75,88,596
	later than five years	1,34,94,73,928	-
	Lease payments recognised in the Statement of Profit and Loss	13,09,25,557	12,75,33,854

Note	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
28.3	Net profit / (loss) for the year	93,74,062	45,62,003
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	93,74,062	45,62,003
	Weighted average number of equity shares	1,54,75,176	1,54,75,176
	Par value per share (Rs.)	10	10
	Earnings per share - Basic	0.61	0.29

**Segment Wise Revenue, Results and Capital Employed**

Note	Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
		₹	₹
29	<b>1. Segment Revenue (Net Sales/Income)</b>		
	a. Solar Power (including Trading of Solar Accessories)	12,59,14,134	30,39,66,826
	b. Trading	9,66,00,274	
	b. Refrigerant Gases	10,07,48,160	7,32,15,220
	b. Service Income	44,53,20,171	
	<b>Total</b>	<b>76,85,82,739</b>	<b>37,71,82,046</b>
	<b>2. Segment Results</b> (Profit/Loss before interest and tax)		
	a. Solar Power (including Trading of Solar Accessories)	(19,96,237)	2,57,65,669
	b. Trading	25,54,317	
	b. Refrigerant Gas	(2,02,97,081)	(1,20,84,768)
	b. Service	2,83,94,888	
	<b>Total</b>	<b>86,55,887</b>	<b>1,36,80,901</b>
	<b>Less: Finance Cost</b>	1,16,85,913	2,52,46,503
	<b>Add : Other Income</b>	2,04,12,307	1,68,97,773
	<b>Profit / (Loss) before Tax</b>	<b>1,73,82,281</b>	<b>53,32,171</b>
	<b>3. Capital Employed (Segment Assets Less Segment Liabilities)</b>		
	a. Solar Power (including Trading of Solar Accessories)	-	-
	b. Refrigerant Gas	52,54,01,447	50,80,08,681
	<b>Total</b>	<b>52,54,01,447</b>	<b>50,80,08,681</b>
<b>Note 30</b>	<b>Previous Year figures have been regrouped/reclassified wherever necessary to conform to the current year's presentation.</b>		

Signature to Notes 1 to 30

As per our Audit Report of even date  
For **M.KRISHNAKUMAR & ASSOCIATES**  
Chartered Accountants  
Firm Registration.No:006853S

**M.Krishna Kumar B.SC FCA**  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

For and on behalf of the Board of Directors

**T.Anil Jain**  
Managing Director  
DIN No. 00181960

**Dinesh Kumar Agarwal**  
Director  
DIN No. 07544757

**D.Hem Senthil Raj**  
Director  
DIN No. 06760725

**Jamuna RaviKumar**  
Director  
DIN No. 08009308

**U.Lalitha**  
Chief Financial Officer

**S.Gopalakrishnan**  
Company Secretary



## Refex Industries Limited

### Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2018

(Figures for the previous year have been rearranged to confirm with the revised presentation)

	Particulars	For the Year Ended As at 31 <sup>st</sup> March 2018		For the Year Ended As at 31 <sup>st</sup> March 2017	
		₹		₹	
<b>A.</b>	<b>NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS</b>		1,73,30,604		52,63,353
	<b>ADJUSTMENTS FOR :</b>				
	Depreciation	82,74,428		78,74,413	
	Finance costs	1,16,85,913		2,52,46,503	
	Interest Income	(1,28,91,723)		(1,66,59,664)	
	Fixed Assets - (Profit)/Loss on Sale	5,29,258		8,270	
	<b>Total</b>		<b>75,97,875</b>		<b>1,64,69,522</b>
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		2,49,28,479		2,17,32,875
	<b>ADJUSTMENTS FOR :</b>				
	Trade and Other Receivables		(33,64,94,532)		59,55,81,191
	Inventories		(4,00,21,729)		(1,58,938)
	Trade Payables and other Current Liabilities		31,93,56,547		(57,56,56,535)
	<b>CASH GENERATED FROM OPERATIONS</b>		<b>(3,22,31,235)</b>		<b>4,14,98,593</b>
	Short Term Provisions Net		-		-
	Cash Flow before Exceptional items		(3,22,31,235)		4,14,98,593
	<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(3,22,31,235)</b>		<b>4,14,98,593</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
	Purchase of Fixed Assets	(66,60,020)		(34,69,751)	
	Purchase of Current Investments	81,820		(60)	
	Sale of Fixed Assets	7,97,514		4,500	
	Interest Received	1,28,91,723		1,66,59,664	
	Loans and Advances	(2,09,99,961)		(16,87,998)	
	Other Non Current Assets	90,59,150		(1,60,46,392)	
	<b>Total</b>		<b>(48,29,774)</b>		<b>(45,40,037)</b>
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(3,70,61,009)</b>		<b>3,69,58,556</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
	Repayments of Long Term Borrowings	-		(36,76,09,953)	
	Increase of Long Term Borrowings	4,80,61,781		36,08,07,784	
	Interest Paid	(1,16,85,913)		(2,52,46,502)	
	Increase of Long Term Provisions	0		2,69,614	
	<b>NET CASH FLOW USED IN FINANCING ACTIVITIES</b>		<b>3,63,75,868</b>		<b>(3,17,79,057)</b>
	<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(6,85,141)		51,79,499
	<b>OPENING CASH AND CASH EQUIVALENTS</b>		76,50,346		24,70,847
	<b>CLOSING CASH AND CASH EQUIVALENTS</b>		<b>69,65,205</b>		<b>76,50,346</b>
	<b>CASH AND CASH EQUIVALENTS COMPRISE :</b>				
	Cash and Bank Balances	69,65,205		76,50,346	
	Unrealised Loss / (Gain) on Foreign Currency Cash and Cash Equivalents		69,65,205		76,50,346

As per our Audit Report of even date  
For M.KrishnaKumar & Associates  
Chartered Accountants  
Firm Registration.No:006853S

M.Krishna Kumar B.SC FCA  
Proprietor  
Membership No.203929

Place : Chennai  
Date : 25th May 2018

For and on behalf of the Board of Directors

T.Anil Jain  
Managing Director  
DIN No. 00181960

Dinesh Kumar Agarwal  
Director  
DIN No. 07544757

D.Hem Senthil Raj  
Director  
DIN No. 06760725

Jamuna RaviKumar  
Director  
DIN No. 08009308

U.Lalitha  
Chief Financial Officer

S.Gopalakrishnan  
Company Secretary

**REFEX INDUSTRIES LIMITED**

(CIN: L45200TN2002PLC049601)

Registered Office: No.20, Mooker Nalla Muthu Street, Chennai 600 001.

**PROXY FORM (Form No. MGT-11)**

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

Name of the Member(s) : .....

Registered Address : .....

E-mail ID : .....

Folio/ DP ID - Client ID No : .....

I/We being the member(s) of Refex Industries Ltd. Holding .....  
Shares, hereby appoint:

(1) Name : .....

Address : .....

Email-ID : .....(Signature) .....

(Or failing him)

(2) Name : .....

Address : .....

Email-ID : .....(Signature) .....

(Or failing him)

(3) Name : .....

Address : .....

Email-ID : .....(Signature) .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th AGM of the Company, to be held on Tuesday, 31st July 2018 at 10.30 A.M at the Bharatiya Vidya Bhavan", East Mada Street, Mylapore, Chennai – 600 004, and at any adjourned thereof in respect of such Resolutions as are indicated overleaf:

Signed this .....day of .....2018.

Signature of shareholder .....

Signature of Proxy holder(s).....

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



S.No.	Description of Resolutions
	Ordinary Business
1	Adoption of <ul style="list-style-type: none"> <li>Audited Financial Statements for the Financial year ended 31st March 2018 and Reports of Board of Directors and Auditors.</li> <li>Audited Consolidated Financial Statements for the Financial year ended 31st March 2018</li> </ul>
2	Re-appointment of Mr. T.Anil Jain, Managing Director who retires by rotation.
	Special Business
3	Appointment of Mrs. Jamuna Ravikumar as a Women Independent Director of the Company for a term of Three years
4	Re Classification of Mr. T. Jagdish Jain, Promoter as a Public Shareholder
5	Re Classification of Mrs Seema Jain , Promoter as a Public Shareholder
6	Increasing the Lending, Investment powers of the Company under section 186 of the Companies Act 2013 to the extent of Rs 200 Crores.

**REFEX INDUSTRIES LIMITED**

(CIN: L45200TN2002PLC049601)

Registered Office: No.20, Mooker Nalla Muthu Street, Chennai 600 001.

**ATTENDANCE SLIP****16th ANNUAL GENERAL MEETING**

Please bring this attendance slip to the meeting hall and hand it over at the entrance.

I/We hereby record my/our presence at the 16th AGM of the Company, to be held on Tuesday, 31st July 2018 at the “Bharatiya Vidya Bhavan”, East Mada Street, Mylapore, Chennai – 600 004.

S.No.		
1.	Ledger Folio No / CLID/DPID No. (if any)	
2.	Name and Registered address of the share holder(s)	
	Joint Holder 1	
	Joint Holder 2	
3.	No. of Share Held	
4.	Name of the proxy/Representative (if any)	
5.	Signature of the Member or Proxy	
6.	Signature of the representative	



**FORM NO MGT-12**

**[Pursuant to Section 109 (5) of the Companies Act 2013 and Rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]**

**REFEX INDUSTRIES LIMITED**

(CIN: L45200TN2002PLC049601)

Registered Office: No.20, Mooker Nalla Muthu Street, Chennai 600 001.

T: +91-44-43405950 E-mail: admin@refex.co.in

**BALLOT FORM – 16<sup>TH</sup> AGM**

1. Name (s) of member(s)  
(Including) joint holders (if any):
2. Registered address of the sole / first  
named member :
3. Registered Folio / DPID / CID No(s).:
4. Number of Shares held :
5. I / We hereby exercise my / our vote in respect of the Resolutions to be passed through ballot for the business stated in the notice of the 16th Annual General Meeting (AGM) of the Company by sending my / our assent or dissent to the said Resolutions by placing the (✓) mark at the appropriate box below.

S.No.	Description of Resolutions	No. of Shares	Assent (For)	Dissent (Against)
	Ordinary Business			
1	Adoption of <ul style="list-style-type: none"><li>• Audited Financial Statements for the Financial year ended 31st March 2018 and Reports of Board of Directors and Auditors.</li><li>• Audited Consolidated Financial Statements for the Financial year ended 31st March 2018</li></ul>			
2	Re-appointment of Mr. T.Anil Jain, Managing Director who retires by rotation.			
	Special Business			
3	Appointment of Mrs. Jamuna Ravikumar as a Women Independent Director of the Company for a term of Three years			
4	Re Classification of Mr. T. Jagdish Jain, Promoter as a Public Shareholder			
5	Re Classification of Mrs Seema Jain , Promoter as a Public Shareholder			
6	Increasing the Lending, Investment powers of the Company under section 186 of the Companies Act 2013 to the extent of Rs 200 Crores.			

Place:

Date:

Signature of the Member

**Notes:** Please read the instructions printed overleaf carefully before exercising your vote

## INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member cast votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
3. The scrutinizer will collate the votes downloaded from the e-voting system and votes casted at the meeting through Ballot forms to declare the final result for each of the Resolutions forming part of the Notice of the AGM.
4. This form should be completed and signed by the member. In the case of joint holding, the form should be completed and signed (as per the specimen signature registered with the company) by the first named member and in his / her absence, by the next named member.
5. Incomplete, incorrect (or) unsigned ballot form will be rejected.
6. Voting rights shall be reckoned on the paid up value of shares registered in the names of the members as on 24th July, 2018
7. A member need not use all his votes nor does he need to cast all his votes in the same way.
8. Where the ballot form has been signed by an Authorized Representative of a body corporate, a certified copy of the relevant authorization should accompany the Ballot form.
9. In case the Ballot form is signed by the Power of Attorney holder (POA), POA registration number should be mentioned.



## ROUTE MAP TO THE AGM VENUE

