

44th ANNUAL REPORT 2018 - 2019



EASUN REYROLLE LIMITED



Easun Reyrolle Limited

44th Annual Report, 2018-19

Chairman	:	Mr Hariharan Eswaran
Managing Director	:	Mr Raj Hari Eswaran
Directors	:	Dr W S Jones (upto 29.08.2018) Mr Rakesh Garg Ms Sweta Mandora Prajapati
Chief Financial Officer	:	Mr A Kamatchinathan
Company Secretary & Compliance Officer	:	Mr P S Srinivasaraghavan
Auditors	:	M/s K S Rao & Co., Chartered Accountants Flat No.4, 3rd Floor Parson Tower, B Block, No.52 Pantheon Road, Egmore, Chennai – 600 008
Registered Office	:	“Temple Tower”, 6th Floor 672, Anna Salai, Nandanam Chennai – 600 035
Corporate Office & Development Centre	:	No.98, Sipcot Industrial Complex Hosur – 635 126, Tamilnadu
Factories	:	1. Plot No.98 Sipcot Industrial Complex, Hosur – 635 126, Krishnagiri Dt., Tamilnadu 2. No.17/3, Arakere Village Bannerghatta Road, Bangalore – 560 076 3. Plot No.147/148, Harohalli Industrial Area, 2nd Phase, Madamaranahalli Village, Harohalli Hobli Kanakpura Taluk, Ramnagara Dt. Karnataka
Registrar and Transfer Agents	:	Integrated Registry Management Services Pvt Ltd., 2nd Floor, “Kences Towers” No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai – 600 017

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Easun Reyrolle Limited

CIN No.L31900TN1974PLC006695

Regd. Office: “Temple Tower”, VI Floor, 672, Anna Salai,
Nandanam, Chennai – 600 035

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E-mail: sec@easunreyrolle.com

Notice to Shareholders

Notice is hereby given that the Forty Forth Annual General Meeting of the Members of Easun Reyrolle Limited will be held on 29th November, 2019 at 3.00 p.m. at Hotel Ambassador Pallava, 53, Montieth Road, Chennai 600 008, to transact the following business:

Ordinary Business

1. To consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2019, the Balance Sheet as at 31st March, 2019 (including audited consolidated financial statements) and the reports of Board of Directors and Auditors thereon
2. To appoint a Director in place of Mr Hariharan Eswaran, Non-Executive Chairman who retires by rotation and being eligible for re-appointment offers himself for re-appointment.

Special Business

3. To appoint Mr Raj Hari Eswaran (DIN No. 00195354) as Managing Director of the Company for a further period of 3 (Three) years w.e.f. 1st April, 2020 to 31st March, 2023 and in this regard to consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions under Sections 196, 197, 198, 200, 201, 203, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”) including any statutory amendment, modifications, or re-enactment thereof and subject to the approval of the Central Government if required, in this regard, and further subject to such other requisite approvals, as may be required, the consent of shareholders be and is hereby accorded for the re-appointment of Mr Raj Hari Eswaran (DIN No. 00195354) as Managing Director of the Company for a further period of 3 (Three) years w.e.f. 1st April, 2020 to 31st March, 2023 on the terms and conditions including remuneration payable to him for a period of 3 (Three) years w.e.f. 1st April 2020 to 31st March 2023 as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement which forms part of this resolution.

- i) Salary: Rs.4.25 lacs per month.
- ii) Commission on profit, perquisites and other terms of contract:
 - a) Commission at 1% (One percent) of net profit of the Company in addition to salary. The amount of commission payable based on the net profits of the Company in a particular year shall be subject to the overall ceiling laid down in Section 197, 198 and Schedule V of Companies Act, 2013.
 - b) The Company would provide to the Managing Director a car for use on Company's business and telephone at residence. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
 - c) The Managing Director shall not be paid any sitting fee for attending the meeting of the Board of Directors or Committee thereof from the date of his appointment.

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

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter or vary the terms of appointment of the appointee including relating to remuneration, as it may at its discretion, deem fit, from time to time, provided that the remuneration is within the limit laid down in the subsisting provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

4. To appoint Mr Rakesh Garg (DIN No. 00240379) as an Independent Non-Executive Director of the Company for a Second Term of 5 years and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 149, 152, and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon the recommendation of the Nomination and Remuneration Committee and Board of Directors, Mr Rakesh Garg (DIN: 00240379), Independent Non-Executive Director of the company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, Regulation

16(1) (b) of Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company from the conclusion of this 44th AGM until the conclusion of 49th AGM of the Company.

5. To Appoint Ms Sweta Mandora Prajapati (DIN No. 06903165) as an Independent Non-Executive Director of the Company for a second term of 5 years and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 149, 152, and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and upon the recommendation of the Nomination and Remuneration Committee and Board of Directors, Ms Sweta Mandora Prajapati (DIN: 06903165), Independent Non-Executive Director of the Company who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, Regulation 16(1) (b) of Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company from the conclusion of this 44th AGM until the conclusion of 49th AGM of the Company.

By Order of the Board
for Easun Reyrolle Limited

PS Srinivasaraghavan
Company Secretary & Compliance Officer

Place : Chennai

Date : 26th October, 2019

Notes:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), setting out material facts in respect of businesses under item Nos. 3 to 5 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking re-appointment / appointment at this AGM are also annexed.
2. Any Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a member. A Proxy so appointed shall not have any right to speak at the Meeting. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
3. Members holding shares in physical form are requested to communicate change in their addresses, if any, and to update their Bank details with our Registrar and Share Transfer Agent, Integrated Registry Management Services Pvt Ltd., 2nd Floor, “Kences Towers”, No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai – 600 017, Telephone No.044-28140801-803, E-mail - corpserv@integratedindia.com

Please note that effective April 1, 2019, SEBI mandated that the securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail the benefits of dematerialisation, members holding shares in physical form are requested to dematerialize their shares immediately.

4. Members holding shares in demat form may inform the change in address or other particulars to their Depository Participants.
5. Members are also requested to immediately notify their email IDs to their respective DPs or the RTA or to the Company, as the case may be, to enable the Company to send all notices and documents through electronic mode in view of the Government’s recent green initiative regarding the service of various documents by electronic mode instead of in physical mode.
6. Electronic copy of the Notice of the 44th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 44th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that the Notice of the 44th Annual General Meeting and the Annual Report for the year 2018-19 will also be available on the Company’s website www.easunreyrolle.com for their download.
7. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days during the business hours up to the date of the Meeting.

8. The Register of Members and the Share Transfer Books of the Company will remain closed from 25th November, 2019 to 29th November, 2019 (both days inclusive).
9. Members / Proxies are requested to bring the Attendance Slip with them duly filled in and handover the same at the entrance of the Meeting Hall. Members are requested to bring their copy of Annual Report to the Meeting.
10. Members of the Company had approved the appointment of M/s. K S Rao & Co, Chartered Accountants, (Firm Reg. No.003109S) as the Statutory Auditors at the 42nd AGM of the Company which is valid till 47th AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.
11. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. Accordingly, all unclaimed / unpaid dividend for a period of seven years from the date they become due for payment, have been transferred to the IEPF Authority.
12. As per Section 124(6) of the Act read with IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid / unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account notified by the Authority. The Company after following the necessary procedures, has transferred the shares on which dividend remains unpaid or unclaimed for the financial years 2008-09, 2009-10 and 2010-11 to the IEPF Authority.

Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 30th September, 2018 (date of last AGM) are available on the website of the Company <https://www.easunreynolle.com/investors.php> and on Ministry of Corporate Affairs' website. The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>.
13. The route map to the venue of the meeting is furnished herewith and forms part of Annual Report.
14. Any person who becomes a member of the Company after the dispatch of the notice of the meeting and holding shares as on the cut-off date i.e 1st November, 2019 may write to helpdesk.evoting@ndslindia.com or to the Company at corpserv@integratedindia.com for User ID and password or follow the instructions in Note no. 15A for casting their vote. If the member is already registered with NSDL e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
15. In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed there under, and as per Regulation 44 of the SEBI (LODR) Regulations, 2015 the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice:

- a) The facility for voting, through ballot paper shall be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- b) The “cut-off date” for determining the eligibility for voting either through electronic voting system or ballot is fixed as 22nd November, 2019.
- c) The e-voting period commences from 26th November, 2019 at 9.00 a.m. and ends on 28th November, 2019 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. During this period Shareholders’ of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., 22nd November, 2019 shall be entitled to avail the facility of remote e-voting.

The instructions for e-voting are as under:

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