



13th ANNUAL REPORT, 2014-2015



LET'S GO
GREEN





The Refex Belief

At Refex we believe in continuously improving ourselves, our processes and our products in a way that compliments and benefits the world we live in and the people we live with. It is our strong base values and our committed working spirit that helps us set new standards as a corporate body.





let's go
green



"Let's Go Green" is one of the primary philosophies at Refex. The harm done by Ozone Depleting Substances such as CFCs and HCFCs, were recognized years ago. Mainly found in air conditioning, refrigerating equipments, aerosols, these substances damage the Ozone layer allowing harmful Ultra Violet rays to enter the atmosphere. An overexposure to UVB radiation can cause sunburn and some forms of skin cancer. In humans, prolonged exposure to solar UV radiation may result in acute and chronic health effects on the skin, eye, and immune system. However the most deadly form - malignant melanoma - is mostly caused by the indirect DNA damage (free radicals and oxidative stress). This can be seen from the absence of a UV-signature mutation in 92% of all melanoma. By promoting the use of HFC based refrigerants, Refex aims to stop the harmful effects of these substances on the ozone and safeguard the future.

RIL Values

The company's beliefs are its primary driving force. It is what gives the Company the strength, courage and capacity to put in their best efforts every day at work.

RIL Goal

At the core of our business remains our commitment to our clients. To position Refex as a global player with a clear focus on each business

RIL Culture

- To maintain our competitive edge and meet the high expectations of our clients.
- To commit to excellence with continuous efforts. To enhance the quality of all our products.
- To deliver the best to our customers, shareholders, employees and society at large.

RIL Principles

- Loyalty • Dedication • Integrity • Competitiveness • Determination
- Professionalism • Commitment • Seamlessness • Diversity







CONTENTS

Page No.

Corporate Information	8
Notice	9
Directors' Report	21
Report on Corporate Governance	61
Auditors Certificate on Corporate Governance	85
Management Discussion and Analysis Report.....	86
Independent Auditors' Report	89
Balance Sheet	97
Statement of Profit & Loss Account	98
Notes to the Accounts	100
Cash Flow Statement.....	118
 <u>Consolidated Financial Statement</u>	
Independent Auditors' Report on Consolidated Financial Statement.....	120
Balance Sheet	127
Statement of Profit & Loss Account.....	128
Notes to the Accounts	130
Cash Flow Statement.....	148





CORPORATE INFORMATION

Board of Directors:

Sri. T. Anil Jain

Chairman & Managing Director

Sri. N.D. Trivedi

Sri. D. Hem Senthil Raj

Sri. T. Jagdish Jain (up to 20.03.2015) Chennai - 600 034

Smt. R. Maheswari (w.e.f 20.03.2015)

Sri. S.Gopalakrishnan

Company Secretary

Smt. U. Lalitha

Chief Financial Officer

Auditors

M/s. Bhandari & Keswani

Chartered Accountants

75, Mahatma Gandhi Road,

Nungambakkam,

Chennai - 600 034

Bankers

Indian Overseas Bank

C & I C Branch

Dr. Radha Krishnan Salai,

Mylapore,

Chennai - 600 004.

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

20, Mooker Nallamuthu Street,

Chennai - 600 001.

Corporate Office

67, Bazullah Road, T.Nagar,

Chennai - 600 017

Notice

Notice is hereby given that the Thirteenth Annual General Meeting of the Company will be held on Wednesday, 30th day of September, 2015 at 3.30 P.M in "Nahar Hall" Deshabandhu Plaza, 1st Floor, 47 Whites Road, Royapettah, Chennai- 600 014 to transact the following Business..

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2015 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.

2. To appoint a Director in the place of Shri. T. Anil Jain, (DIN No.: 00181960) who retires by rotation and being eligible, offers himself for reappointment.

3. To ratify the appointment of M/s. Bhandari & Keswani, Chartered Accountants (Firm Registration No. 0004335), as approved by Members at the Twelfth Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of Fifteenth Annual General Meeting to be held in the year 2017, and to fix their remuneration

Special Business:

4. Appointment of Smt. R. Maheswari as an Independent Director of the Company.

To consider and if thought fit to pass with or without modifications the following resolution as an Ordinary Resolution.

"Resolved that pursuant to the provisions of Section 149, 150, 152, 160 and other applicable provisions, if any of the Companies Act, 2013 and the Rules framed there under, read with Schedule IV to the act as amended from time to time Smt. R. Maheswari (DIN No. 06829926) whose term of office as an Additional Director pursuant to Sec. 161 of the Companies Act 2013 runs up to the date of the AGM and in respect of whom the Company has received a Notice under Sec. 160 of the Companies Act 2013 proposing her candidature for the office of the Director along with a declaration from her stating that, she meets



the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, with effect from the date of this Annual General Meeting till 30 September 2018.

By Order of the Board
For Reflex Industries Limited

Place : Chennai
Date : 29.05.2015

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 Clause 49 of the Listing Agreement 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 explanatory statement pursuant to Section 102(1) of the Companies Act 2013 ("the Act") in respect of Special Business is annexed hereto.
4. The Register of Members and Share Transfer books of the Company will remain closed from 26.09.2015 to 30.09.2015 (Both days inclusive).
5. 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.
6. 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.
7. 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" 5 Floor No.1, Club House Road, Chennai - 600 002.
8. 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.



9. 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, if you have changed the same.

10. 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 and Transfer of Shares to the Company's RTA viz, M/s. Cameo Corporate Services Limited.
11. 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.
12. The Notice is being sent to all the Members, whose names appeared in the Register of Members as on Friday, 4th September, 2015.

The Notice of the meeting is also posted on the website of the Company (www.reflex.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, 2015 and Clause 35B of the Listing Agreement, 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 26th September 2015 at 9 a.m. and will end on 29th September 2015 at 5 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. FCS6775, 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 26th September 2015, 09.00 am and ends on 29th September 2015, 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 23-September 2015, 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.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - 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"> 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. 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.
Dividend Bank Details# OR 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"> 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).

- (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 for the relevant <Company Name> 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 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) **Note for Non - Individual Shareholders and Custodians**



Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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 of members receiving the physical copy:

- (a) Please follow all steps from sl. no. (i) to sl. no. (ix) above to cast vote.
- (b) The voting period begins on 26 September 2015, 9:00 am and ends on 29 September 2015, 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 23 September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (c) 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. Wednesday, 23 September 2015 may obtain the login ID and password by sending an email to investor@cameoindia.com / helpdesk.evoting@cdslindia.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 or write an email to 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.reflex.co.in/> and on the website of CDSL 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.