



10th ANNUAL REPORT, 2011-2012



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.

RRL 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.

RRL 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

RRL 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.

RRL Principles

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





10th ANNUAL REPORT, 2011-2012

Reflex

RRL 3000 MT PLANT

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CORPORATE INFORMATION

Board Of Directors

Sri A Tarachand Jain
Chairman (till 23/05/2012)
Sri. T. Anil Jain
Managing Director
Sri. T. Jagdish Jain
Whole Time Director
Sri N. D. Trivedi
Ms. Abhinandana Papisetty (Up to 31.12.2011)
Sri. Sumermal Mehta

Management Team

Sri. M K Sharda
General Manager

Sri S. Gopalakrishnan
Company Secretary

Bankers

STATE BANK OF INDIA
Commercial Branch
232, NSC Bose Road, Chennai - 600 001 .

Registered Office

20 Mooker Nallamuthu Street, Chennai - 600 001.

Corporate Office

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

Registrar and Share Tranfer Agents

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

Statutory Auditors

M/s. Bhandari & Keswani
Chartered Accountants
75, Mahatma Gandhi Road
Nungambakkam
Chennai 600 034.



Notice

Notice is hereby given that the Tenth Annual General Meeting of the Company will be held on Wednesday, 26th September, 2012 at 3.30 P.M. in 'Nahar Hall', Deshbandhu 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 2012 and Profit and Loss Account for the period ended on that date together with the Reports of the Directors & Auditors thereon.
2. To elect Directors:
 - a) To appoint a Director in the place of Mr. N.D.Trivedi, who retires by rotation and being eligible, offers himself for re-appointment.
 - b) To appoint a Director in the place of Mr. T. Jagdish Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION.

"RESOLVED THAT M/S.Bhandari & Keswani, Chartered Accountants, Chennai, the retiring Statutory Auditors,(FRN.000433S) be and are hereby re-appointed as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company".

Place : Chennai

By Order of the Board

Date : 29.05.2012

S.GOPALAKRISHNAN
Company Secretary

Notes

1. The Explanatory statement containing the relevant details of persons seeking appointment as Directors under Item No.2 of the Notice as required by Clause 49 of the Listing Agreement entered into with Stock Exchanges is also 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 the 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 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 organisation.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 22nd September 2012 to Wednesday, 26th September 2012 (both the days inclusive).
4. Members holding Equity Shares in Physical Form are requested to notify immediately any change in their address to the Company's Registrar and Share Transfer Agents, M/s. Cameo Corporate Services Ltd. Members

holding Equity Shares in dematerialized form must inform about the change in 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 with the 'Attendance slip' and Proxies (whose proxy forms have already reached the Company) will be admitted.
7. 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.
8. Reflex is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its circular, no. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011, respectively has allowed Companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.
9. Recognizing the spirit of the circular issued by the MCA, the company henceforth, propose to send documents like the notice covering the Annual General Meeting, Financial, Statements, Director's Report, Auditor's Report etc. to the email address provided by you with your depositories.

Hence shareholders may update their e-mail address with the depository participants to ensure that the Annual Report and other documents reach them on their preferred e-mail.



Particulars regarding the Directors retiring by rotation seeking re-appointment as per Clause 49 of the Listing Agreement.

ITEM NO 2

The following Directors Messers N.D.Trivedi and T. Jagdish Jain retire by rotation at the Annual General Meeting and being eligible offer themselves for re-appointment. Accordingly, Resolutions are proposed for re-appointment.

The Board of Directors recommends the Resolutions for approval of the Members.

As per Clause 49 of listing agreement with stock exchanges, a brief resume of Directors who are proposed to be re-appointed at this meeting is furnished below:

PROFILE OF SHRI N.D. TRIVEDI

Aged 57 years Shri N.D. Trivedi is an U.S.based Entrepreneur and an NRI. He holds a Masters degree in Electrical Engineering. He is an experienced Businessman and presently runs a concern M/s.Stainless Distributors Inc. at 1215, Knox Drive, Yardley P.A.19067 U.S.A. He is an Independent Director on the Board. He is a member of the Audit Committee and Remuneration Committee of the Company.

PROFILE OF MR. T. JAGDISH JAIN

Aged 34 years, Shri. T. Jagdish Jain has over 12 years experience in running the business relating to Metal Trading. He is a Whole Time Director of the Company. He is one of the promoters of the Company and is the son of Shri A.Tarachand Jain, Ex-Chairman and the brother of Shri T.Anil Jain, Managing Director. He holds 2000 Equity Shares in the Company. He is also a member of the Board, in M/s.Refex Hydro Power (P) Ltd, M/s.Refex Wind Power (P) Ltd, and M/s.Refex Solar Power (P) Ltd. He is not holding any Committee Membership in the Companies in which he is a Director.

Place : Chennai

Date : 29.05.2012

By Order of the Board

S.GOPALAKRISHNAN
Company Secretary

Directors' Report

To the Members,

Your Directors have great pleasure in presenting the Tenth Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2012.

FINANCIAL PERFORMANCE

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

	(Rs. In Lakhs)	
Description	2011-12	2010-11
Turnover	4191.53	8014.75
Other Income	68.16	224.20
Total Income	4259.69	8238.95
Expenditure (other than Tax)	5629.41	7516.11
Exceptional Items	949.56	--
Profit before tax	(2319.28)	722.84
Provision for Income Tax	--	--
Profit after Income Tax	(2319.28)	722.84
Extraordinary Items	21.45	--
Net Profit / (Loss)	(2340.73)	722.84
EARNING PER SHARE (IN RS.)	(15.13)	4.67

The financial statements for the accounting period 2011-12 covers a period of 12 months (April 2011- March 2012) as against 9 months for the financial period 2010-11 (July 2010-March 2011). Hence the figures are not strictly comparable.

During the year, the turnover fell down drastically from Rs.8014.75 lakhs in the previous year to Rs.4191.53 Lakhs, the decline in sales being 47.70%. The corresponding expenditure amounted to Rs.5629.41 Lakhs. As a result the Company incurred an operating loss of Rs.1369.72 lakhs. Besides this the Company suffered a huge loss of Rs.949.56 Lakhs due to evaporation and leakage of Refrigerant gas because of a blast of a valve in one of the storage tanks in its plant which was quite unforeseen by the management. In addition a loss of Rs.21.45 Lakhs on investment which arose while disposing 51% stake in the shares of M/s. Sherisha Technologies (S) Pte Ltd, Singapore held by the Company.

As a consequence the net worth of the company was severely affected. Likewise there was an appreciable reduction in the other income from Rs.224.20 Lakhs to Rs.68.16 Lakhs in the previous year. The financial year witnessed a severe Power shut down in the plant almost close to 16 hours during many days of a month, which affected the production to a great extent.. The cost of production with Genset has been very high and the Company has not been able to compete with its peers with such cost. This left to a situation of staggered and reduced production in the year.

The management is seized of the problem confronting the Company and has already taken necessary initiatives in this matter. It is fervently hoped that in due course the business of the Company will improve considerably and show better results.



In the Month of February 2012, the bankers for the Company State Bank of India has declared the account as NPA and proceeded to recover the outstanding dues via DRT and SARFAESIA. Your Company has been negotiating with the bankers for a one time settlement and hope to finalize the same.

DIVIDEND

In view of the loss incurred by the Company the question of payment of Dividend does not arise.

CORPORATE GOVERNANCE

A detailed Report on the Corporate Governance pursuant to Clause 49 of the Listing Agreement with the BSE and NSE along with the Auditors' Certificate on Compliance with the mandatory provisions on Corporate Governance is annexed to this Report.

The Managing Director of the Company have issued necessary certificate to the Board in terms of Clause 49(v) of Listing Agreement with Stock Exchanges for the financial period ended 31st march 2012.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report pursuant to Clause 49 of the Listing Agreement with the BSE & NSE for the year under review is given as a separate statement in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that

- i) In the preparation of the Annual Accounts, the applicable Accounting Standards has been followed;
- ii) They have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year March 31, 2012 and of the loss of the Company for that year.
- iii) They have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) They have prepared the Annual Accounts on a going concern basis.

SUBSIDIARY COMPANY

The Company had disposed off 37,54,571 shares of SGD 1 each constituting 51% of investments made in its erstwhile Wholly Owned Subsidiary Company M/S Sherisa Technologies (S) Pte Ltd during the year. Hence the investments made and outstanding in such company has been diluted to 49% comprising of 36,07,334 shares of SGD 1 each.

In view of this reduction in the Investments, the said Company ceases to be a subsidiary of your Company at the end of the financial year.

DIRECTORS

As per Article 35 of the Articles of Association of the Company Shri N.D. Trivedi and Sri.T.Jagdish Jain, Directors

of the Company retire by rotation in the forthcoming annual general meeting and being eligible offer themselves for re-appointment. Necessary resolutions are submitted for your approval.

AUDITORS

The Company's auditors M/s. Bhandari & Keswani, Chartered Accountants, Chennai who retire at the conclusion of this Annual General Meeting are eligible for re-appointment. A resolution is proposed for their reappointment in the Notice.

LISTING

Your Company's shares are listed in National Stock Exchange of India Ltd and Bombay Stock Exchange Ltd. The Listing Fee for the Financial Year 2011-2012 is yet to be paid to both the Stock Exchanges as on date.

INFORMATION AS PER SECTION 217(2)(a) OF THE COMPANIES ACT 1956:

None of the employees of the Company are in receipt of remuneration in excess of the limits specified in Section 217(2) (a) of the Companies Act, 1956.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

FOREIGN EXCHANGE EARNINGS	Rs. 589.13 Lakhs
FOREIGN EXCHANGE OUTGO	Rs. 58.90 Lakhs

DETAILS IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 217 (1)(e) OF THE COMPANIES ACT 1956:

The Company does not engage in any 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.

PUBLIC DEPOSITS

The Company did not invite or accept any Deposits from the Public under Section 58A of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the excellent support and co-operation extended by all the stake holders, more particularly, State Bank of India, Shareholders, Customers, Dealers, Bankers, 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 at all level in achieving an Impressive performance, during the period under review.

Place : Chennai

By Order of the Board

Date : 29.05.2012

T. ANIL JAIN
Managing Director

T. JAGDISH JAIN
Director



Management Discussion and Analysis Sheet

INDUSTRY STRUCTURE AND DEVELOPMENT

REFEX REFRIGERANTS LIMITED was incorporated on 13th September 2002 and is an ISO 9001 and 14001 Company. Refex Refrigerants Ltd. is primarily engaged in the business of refilling non ozone depleting refrigerant gases popularly known as Hydrofluoro Carbon or HFCs, which are used in Automobile Air-conditioners, Room Air-conditioners and Refrigerating Equipments.

During the year, the actual production of refrigerant gases accounted for 288.80 MT against the installed capacity of 3000 MT. The sales of products in terms of Quantity recorded is 288.80 MT.

OPPORTUNITIES

The Company is engaged in the business of Hydro Fluoro Carbons (HFCs) which are replacement of the Ozone depleting CFC which are already banned in India and HCFC that are to be banned in a phased manner from 2020 onwards as per the implementation schedule of the Montreal Protocol by the developing countries. This phase starts from 2012 onwards in parts and a complete ban will come in by 2020. The Ozone Cell and Ministry of Environment is under pressure from the international agencies to prepone these dates to 2015. These are primarily used as Refrigerants in refrigeration and air-conditioning applications, propellants and aerosols, blowing agents for insulating foam and other application. Your Company has a wide breadth of customers in all major market segments like replacement market, original equipment and households. Also with the growth of consumer durable industry and Automobile industry, there are huge opportunities coming its way. Your company is strong in after markets and service industry which is growing multifold with the growth of the Manufacturing sector. The Refrigerants are typically consumables and need to be replaced or refilled in systems atleast 3-4 times over the life of the equipment. With its access to the various traders across the country, your company has two more products used in Airconditioning Industry viz., Voltage Stabilizers and Stands for outdoor units. Using the brand image and acceptance by the industry, these two products were launched in January 2011 and is widely accepted in the market. With this reach, your company plans to add many more products used in this industry either by imports, contract manufacturing or self manufacturing as the situation arises. Your company has tied up with Daikin Arkema Refrigerants Asia Pte Ltd, for exclusively marketing their products mainly used for special applications for Joint branding and selling in India. This is the first of the kind arrangement by a two decade old Refrigerant manufacturer. This will open up opportunity in newer segment where your Company is currently struggling.

THREATS

The Company is largely dependent on foreign countries for the supply of raw materials and hence the shortage in the availability of raw material coupled with adverse foreign exchange fluctuations will affect the cost structure and bottom line of the Company. Any charges in the regulatory framework pertaining to manufacturing and importing of refrigerant gases could have an adverse impact on the business of the Company, As the demand for Refrigerant Gases go up and reach its peak during summer months there is bound to be seasonal variation in sales volume.

COMPETITIVE STRENGTH

The Company is engaged in the Business of refilling HFC, which unlike other Refrigerant Gases, is an eco friendly

gas that does not harm the Ozone layer. The plant has received good certificates from many OEM's. Further Daikin Arkema Refrigerants Asia Pte Ltd. has very highly praised the Company's plant as world class standard. The Company has reputed corporates and MNCs in its clientele. The client base of the Company is steadily increasing. It had introduced Refrigerants in small cans making it a retail product available off the shelf. As the products are so well branded the customers have no difficulty in identifying the same and place the order. It has a handpicked marketing team which is well equipped not only in providing after sales service to the customers but also in increasing the market share of the Company's products.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Reflex's stringent Internal Control System and procedures is well defined and is commensurate with the size and nature of the business to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and 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 Plan, which is approved by the Audit Committee of the Board.

The Company's Audit Committee comprises two Non-Executive Directors Ms Abhinanda Papisetty, Mr N D Trivedi and Mr T Anil Jain, Managing Director. One of the objective of the Audit Committee is to review the Reports submitted by the Internal Audit Department and to monitor, follow up and ensure that corrective action is taken by the management.

The Company Secretary is the designated Compliance Officer to ensure compliance with SEBI Guidelines and with the Listing Agreement entered into with Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. Mumbai.

HUMAN RESOURCE DEVELOPMENT

Reflex believes that human resources represent its primary Assets. The Company strives to provide a fair, empowered, merit-based and continuously learning workplace which go a longway in enriching competence and accelerating corporate growth. During the year under review the Company had total employee strength of 25 persons. The Company is also actively engaged in imparting both functional and attitudinal training across employees for maximum productivity.

DISCUSSION ON FINANCIAL PERFORMANCE

An overview of financial performance of the Company vis a vis previous year is given separately in the Director's Report.

PRODUCT WISE / SEGMENT WISE PERFORMANCE

The company is in a single product segment of re filling of refrigerant gases. The quantitative performance vis a vis previous year is given below.

	2011-12	2010-11
Sales (in KGS)	2,88,806	17, 54,741



The above statements are as perceived by the Directors based on the current scenario and the input available. Any extraneous developments and force majeure may have an impact on the above perceptions.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Your company firmly believes in transparency in its dealings and lays emphasis on the integrity and regulatory compliance. Your company considers good corporate governance a prerequisite for meeting the needs and aspirations of its shareholders and other stakeholders in the Company. With this end in view this period's annual report has made substantial disclosures on the Board, the Board Committees as also on the financial and the stock performance.

2. BOARD OF DIRECTORS:

Composition and Category of Directors

The current strength of the Board is Five Directors. The Board has Two Independent Directors, who are Shri N.D. Trivedi and Shri Sumermal Mehta.

Number of Board Meetings

During the financial year 2011-2012, the Board met 8 times on following dates: 20th April 2011, 27th May 2011, 30th June 2011, 8th July 2011, 10th August 2011, 4th November 2011, 14th November 2011 and 13th February 2012 and the gap between two Meetings has not exceeded four months.

DIRECTORS ATTENDANCE RECORD AND DIRECTORSHIPS HELD

Name of the Director	Position / Category	Board Meetings		Last AGM Attended	Board Membership (Other Companies)
		Held	Attended		
Mr A. Tarachand Jain	Chairman - Promoter Executive	8	8	Yes	1
Mr. T Anil Jain	Managing Director - Promoter Executive	8	8	Yes	7
Mr. T Jagdish Jain	Whole Time Director - Promoter Executive	8	8	Yes	3
Mr.N DTrivedi	Director - Non Promoter, Non Executive Independent	8	Nil	No	Nil
Ms Abhinandana Papisetty (up to 31.12.2011)	Director - Non Promoter, Non Executive Independent	7	4	Yes	Nil
Mr. Sumermal Mehta	Director-Non promoter, Non Executive Independent	5	4	Yes	Nil

None of the Directors is a member of more than 10 Board Level Committees or Chairman of more than 5 such Committees across all Companies as covered under Clause 49 of the Listing Agreement.

Code of Business Conduct and Ethics for Board of Directors and Senior Management Personnel:

The Company has in place the Code of Business Conduct and Ethics for Board of Directors and Senior Management personnel which are approved by the Board of Directors. The Code has been communicated to Directors and the members of the Senior Management personnel. The Code of conduct has also been posted on to the website of the Company. All the Board Members and the Senior Management personnel have confirmed compliance with the Code for the period ended 31st March 2012. The Annual Report contains a declaration to this effect signed by the Chairman, Managing Director and Company Secretary as compliance officer for the code.

3. BOARD COMMITTEES

(a) Audit Committee:

The Audit committee includes the following out of which, two are Independent Directors.

Ms. Abhinandana Papisetty (upto 31.12.2011)	Chairman
Mr. Sumermal (W.e.f. 01.01.2012)	Chairman
Mr. N D Trivedi	Member
Mr. T Anil Jain	Member

The brief description of the terms of reference of the audit committee is as follows :

- I. To oversee the company's financial reporting process and ensuring correct, adequate and credible disclosure of financial information.
- II. To recommend appointment and removal of internal as also external auditors and fixing of their fees.
- III. To review with management the annual financial statements before submission to the Board with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements.
- IV. To review the adequacy of audit and compliance function including their policies, procedures, techniques and other regulatory requirements.
- V. To take up any other terms of reference assigned by the Board from time to time.

The Committee met on 27.5.2011, 10.8.2011, 14.11.2011, 13.2.2012 for discharging the functions and was attended by two members for all the meetings held.

(b) Remuneration Committee

The Remuneration committee includes the following, all of whom are Independent Directors

Ms. Abhinandana Papisetty (upto 31.12.2011)	Chairman
Shri. N D Trivedi	Member
Shri. Sumermal Mehta	Member

The brief description of the terms of reference of the Remuneration Committee is:

- i) 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.
- ii) To decide on the commission and / or other incentives payable taking into account the individual's performance as well that of the Company.
- iii) 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.
- iv) To review the compensation levels of the company's employees vis a vis the other companies in the same field and industry in general
- v) To meet the requirements of remuneration committee as laid down in Schedule XIII to the Companies Act, 1956 dealing with Managerial Remuneration.

The committee met on 08.07.2011 and recommended the remuneration payable to Executive Chairman, Managing Director and Whole time Director.

Managerial Remuneration paid during the period.

During the financial year ended 31st March 2012, Chairman, Managing director and Whole Time Director waived their remuneration for the entire period, in view of the financial position of the company.

The Company has not paid any other remuneration in the form of other benefits, bonus, pension, performance linked incentives etc. The Company does not have a scheme for grant of stock options either to the Managing Director or to the employees.

None of the Non Executive Directors holds any share in the Company.

The Non-Executive Directors does not have any pecuniary relationship or transactions with the company.

(c) Share Transfer and Shareholder / Investors Grievance Committee

The brief description of the terms of references of the committee is are as follows :

- i) To oversee share transfers involving physical shares and monitor redressal of shareholders and investors complaints.
- ii) To review the process and service standards adopted by the in-house share department/Registrar and Share Transfer Agents.
- iii) To resolve the investors' complaints.

The committee comprises of

Mr. T Anil Jain	Chairman
Mr T Jagdish Jain	Member

The Committee was not required to meet during the year since no request for transfer of shares in physical mode was received.

During the period under review, the Company has not received any investor complaint. All requests for dematerialization of shares were carried out within the stipulated time period. As on 31st March 2012, no share certificates were pending for dematerialization beyond the stipulated period.

4. SECRETARIAL AUDIT

A qualified Company Secretary carries out an audit on quarterly basis to reconcile the total admitted capital with National Securities Depositories Limited (NSDL) and Central Depositories Services (India) Limited (CDSL) with the total issued and listed capital.

5. DIRECTORS MEMBERSHIP / CHAIRMANSHIP IN COMMITTEES

No Director is a Member of more than 10 Committees or Chairman of more than 5 Committees across all Companies in which he is a Director.

6. PROFILE OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT.

A brief resume containing the profile in specific functional areas, Directorships / Membership of Committees held in other Companies in respect of Directors retiring by rotation / being appointed at the ensuing Annual General Body Meeting forms part of the notice of the Annual General Meeting which contains particulars regarding Directors retiring by rotation seeking re-appointment as per clause 49 of the Listing Agreement.

7. GENERAL BODY MEETINGS

Date, Time and Venue of the last three AGMs

Financial Year Ended	Date	Time	Venue
31 st March 2011	05.09.2011	03.30 P.M	Benz Park, Rover Hall, 62, Tirumalai Pillai Road, T.Nagar Chennai 17.
30 th June 2010	03.12.2010	03.30 P.M	Benz Park, Rover Hall, 62, Tirumalai Pillai Road, T.Nagar Chennai 17.
31 st March 2009	06.11.2009	03.30 P.M	Benz Park, Rover Hall, 62, Tirumalai Pillai Road, T.Nagar Chennai 17.



SPECIAL RESOLUTIONS PASSED IN THE LAST 3 ANNUAL GENERAL MEETING.

DATE OF AGM 03.12.2010

INCREASE IN AUTHORIZED CAPITAL
FROM RS.18 CRORES TO RS. 30 CRORES

ISSUE OF REDEEMABLE CUMULATIVE PREFERENCE SHARES FOR AN AGGREGATE VALUE OF
RS. 100 CRORES

DATE OF AGM 05.09.2011

RE-APPOINTMENT OF EXECUTIVE CHAIRMAN, MANAGING DIRECTOR AND WHOLE TIME
DIRECTOR AND FIXATION OF REMUNERATION.

RAISING OF FUNDS THRO GDR UPTO INR 200 CRORES

RESOLUTIONS THROUGH POSTAL BALLOT

During the year the Company had no occasion to transact any item of Business meant to be put thro Postal Ballot. No special resolution on matters requiring postal ballot are placed for shareholders' approval in the ensuing AGM.

8. MATERIAL CONTRACTS / TRANSACTIONS CONCERNING DIRECTORS INTEREST:

The Company does not have related party transactions with any of its Directors which may have potential conflict with the interest of the company at large.

All the related party transactions both in the ordinary course of activities and others have been approved by the audit committee of the Company. None of the transactions with any of the related parties were in conflict with the interest of the company at large. The details of the related party transactions are furnished in the notes on accounts.

The Company has complied with all the applicable mandatory requirements in terms of Clause 49 of Listing Agreement. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

9. MEANS OF COMMUNICATION

- (a) Quarterly Results
 - (i) Which news paper normally published
 - News Today
 - Malai Sudar (Tamil)
 - (ii) Any website displayed
 - Nil
- (b) Whether website also displays official news releases:
 - No
- (c) Whether presentations were made to the institutional investors or to the analysts:
 - No

(d) Whether Management Discussion and Analysis is part of annual report or not:

YES

10. GENERAL SHAREHOLDER'S INFORMATION

AGM Date, Time and Venue	26th September 2012 at 3.30 pm in "Nahar Hall", Deshbandhu Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai 600 014	
Financial Year	31 st March 2012	
Financial Calendar for 2012-2013 (tentative dates for declaration of Quarterly Financial Results)	1st Quarter ending June 30, 2012	On or before 15 th AUGUST 2012
	2nd Quarter ending Sept 30, 2012	On or before 15 th NOV 2012
	3rd Quarter ending Dec 31, 2012	On or before 15 th FEB 2013
	4th Quarter ending March 30, 2013	On or before 31 st MAY 2013
Date of Book closure	Saturday, 22nd September 2012 to Wednesday 26th Sep, 2012 (both days inclusive)	
Dividend Payment Date	Within Thirty days of declaration	
Name of the Stock Exchange on which shares are listed	Bombay Stock Exchange Ltd *Scrip Code: 532884	National Stock Exchange of India Ltd Scrip Code REFEX
Name & Address of Registrar & Share Transfer Agents	M/s.Cameo Corporate Services Ltd "Subramanian Building" Fifth Floor No.1, Club House Road, Chennai - 600 002	
Dematerialisation of shares	Approximately 98.22% of the shares are dematerialised. *DEMAT ISIN :INE 056i01017	
Address for Correspondance	M/s.Reflex Refrigerants Limited, 67, Bazuallah Road, T.Nagar, Chennai - 600 017.	

*Demat Arrangement with National Securities Depository Limited (NSDL) & Central Depository Services (India) Ltd (CDSL)

Details of Market Price-BSE

MONTH ENDED ON	HIGH (₹)	LOW (₹)
30.04.2011	35.10	26.45
31.05.2011	29.45	25.30
30.06.2011	34.80	24.90
31.07.2011	25.65	18.80
31.08.2011	21.50	13.10
30.09.2011	17.35	12.30
31.10.2011	16.43	10.65
30.11.2011	14.75	10.20
31.12.2011	11.49	8.56
31.01.2012	10.99	7.82
29.02.2012	8.78	5.90
31.03.2012	6.14	3.52

Details of Market Price-NSE

MONTH ENDED ON	HIGH (₹)	LOW (₹)
30.04.2011	34.50	26.15
31.05.2011	29.30	25.05
30.06.2011	34.95	24.60
30.07.2011	25.50	18.70
31.08.2011	21.35	13.10
30.09.2011	16.80	12.15
31.10.2011	16.30	10.70
30.11.2011	15.00	10.35
31.12.2011	11.60	8.70
31.01.2012	11.00	7.50
29.02.2012	8.70	5.90
31.03.2012	6.10	3.80

Share Transfer System:

A Committee of Directors has been constituted to approve the Transfer, Transmission and other allied matters. In compliance with SEBI requirements share transfers are entertained both under demat and physical form. Share transfers in respect of physical stocks are normally effected within a maximum of 15 days from the date of receipt. In compliance with the Listing Guidelines, every six months the system of physical share transfers is audited by a Qualified practicing Company Secretary and a certificate to that effect is issued.

In compliance with the Listing Guidelines, every three months a qualified practicing Company Secretary audits the system relating to dematerialization of shares and certificate to that effect is issued.

11. SHARE HOLDING PATTERN AS ON 31st MARCH 2012

Category	Number of Share Holders	Number of Shares Held	% of Share Holding
Directors and their relatives including Associate Companies	9	2967908	19.18
Bodies Corporate	263	4621187	29.87
Foreign Company/ Nationals	1	1200	--
Foreign Institutional Investors	--	--	--
Banks / Financial Institutions	--	--	--
NRI	39	49907	0.32
UTI / Mutual Fund	--	--	--
Public(others)	6539	7834974	50.63
TOTAL	6851	15475176	100.00

12. INVESTORS CORRESPONDENCE

All enquires, clarifications and correspondence should be addressed to Registrars and the Share Transfer Agents or to the Compliance Officer at the following addresses:

Name & Address of Registrar and Share Transfer / Demat Agents
M/s.Cameo Corporate Services Limited,
Subramanian Building, Fifth Floor
No 1, Club House Road, Chennai - 600 002.

Name & Address of the Compliance Officer
S Gopalakrishnan
Company Secretary
Refex Refrigerants Limited.
Admin Office , 67, Bazullah Road,
T.Nagar, Chennai- 600 017

13. LIST OF DIRECTORS HOLDING SHARES OF THE COMPANY

Name of the Director	Category	Number of Shares held	% of Share holding
A. Tarachand Jain	Chairman, Promoter	1,85,200	1.20
T Anil Jain	Managing Director, Promoter	15,49,340	10.01
T Jagdish Jain	WholeTime Director, Promoter	2,000	0.01



DECLARATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF BUSINESS CONDUCT AND ETHICS.

To
The Members of
Refex Refrigerants Ltd.,

On the basis of the written representations received from Members of the Board and Senior Management Personnel as on 31st March 2012 in terms of Clause 49 of the Listing Agreement, we hereby certify that both the Members of the Board and the Senior management personnel have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board of Directors.

Place: Chennai
Date : 29.05.2012

T. Jagdish Jain
Whole time Director

T Anil Jain
Managing Director

S. Gopalakrishnan
Company Secretary

Auditor's Certificate on Corporate Governance

To
The Members of
Refex Refrigerants Limited
Chennai

We have reviewed the Compliance of the conditions of Corporate Governance by M/s Refex Refrigerants Limited, for the year ended on 31st March 2012, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, the company has substantially complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that no material investor grievance is pending for the period exceeding one month against the Company as per the records maintained by the Registrar and Share Transfer Agents of the Company.

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

Place : Chennai
Date : 29.05.2012

For Bhandari & Keswani
Chartered Accountants
FRN.000433S
P Bhandari
Partner
Membership No.17411

Auditors' Report

To the Members of

REFEX REFRIGERANTS LIMITED

1. We have audited the attached Balance Sheet of REFEX REFRIGERANTS LIMITED as at March 31, 2012, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are substantially in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.

e) On the basis of written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and notes thereon more particularly note no 3 given the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012

(ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and

(iii) In the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

PLACE: Chennai

DATE : 29.05.2012

For BHANDARI & KESWANI

Chartered Accountants

FRN.000433S

P. Bhandari

Partner

Membership No.17411

Re: Refex Refrigerants Limited

Referred to in paragraph 3 of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets.
- (b) The fixed assets have been physically verified by the management during the year which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies have been noticed on such verification.
- (c) During the year, the Company has not disposed off a major part of the plant and machinery. According to the information and explanations given to us, we are of the opinion that the sale of the small portion of plant and machinery has not affected the going concern status of the Company.
- (ii) (a) The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) (a) During the year under review, the Company has not granted any loans to the parties covered in the register maintained under Section 301 of the Companies Act.
- (b) The Company has taken interest free unsecured loans from two Body Corporates and three Directors covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.3,42,04,256/- (Rs.5,46,66,755/-) and the year-

end balance was Rs.7,35,11,070/- (Rs.4,72,64,608/-)

The principal amounts are repayable on demand and there is no repayment schedule. In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.

Apart from the above the Company had neither granted nor taken loans, secured or unsecured to or from Companies, Firms and other parties covered in the register maintained under Section 301 of the Companies Act.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls during the course of our Audit.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the Company has not entered into transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value rupees five lakhs in respect of any party during the year.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted Deposits from the Public within the meaning of Sections 58A and 58AA of the Act and the rules framed thereunder during the year.

- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the Books of Account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of Cost records under Section 209 (1) (d) of the Companies Act, in respect of Refrigerant Gases and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (ix) (a) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed amounts relating to Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Cess and other material Statutory dues as applicable with the appropriate authorities and no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Cess and other material Statutory dues were in arrears as at 31st March 2012 for a period of more than six months from the date they became payable except in the following cases:

Sl.No	Particulars	Amount	Details
1.	Employee State Insurance	30,411	Due for 2 months
2.	Provident Fund	70,927	Due for 2 months
3.	Tax Deducted at Source	11,17,731	Due for 6 months
4.	Tax Deducted at Source	68,185	Interest due on delayed payment
5.	Annual Listing fees	1,77,698	Due to BSE, CDSL, NSDL and NSE
6.	VAT payment	95,23,410	Due to Mumbai S.Tax Dept

- (b) According to the information and explanations given to us, there are no dues of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Cess and other material Statutory dues which have not been deposited on account of any dispute.
- (x) In our opinion, the Company does not have accumulated losses at the end of the financial year. The Company has incurred cash losses during the financial year but not in the immediately preceding financial year.
- (xi) In our opinion, the Company has defaulted in repayment of dues to a bank. The period and the amount of default is as under:

Particulars	Period of default	₹	Period of default	₹
Loans Repayable	As at 31st March 2012		As at 31st March 2011	
On demand from Bank	1 Month	191,801,051	----	----
Term Loans from Bank				
Principal	5 Months	30,00,000	----	----
Interest	5 Months	28,08,464	----	----

(xii) We are of the opinion that the Company has not granted any loans on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

(xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

(xv) According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.

(xviii) According to the information and explanations given to us the Company during the year has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

(xix) According to the information and explanations given to

us, during the period covered by our audit report, the Company has not issued any debentures.

(xx) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

PLACE: Chennai
DATE : 29.05.2012

For BHANDARI & KESWANI
Chartered Accountants
FRN.000433S
P. Bhandari
Partner
Membership No. 17411

Balance Sheet as at 31st March, 2012

	Particulars	Note No.	As at 31st March 2012 ₹	As at 31st March 2011 ₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	154,751,760	154,751,760
	(b) Reserve and surplus	4	3,729,904	237,804,298
			158,481,664	392,556,058
2	Non-current liabilities			
	(a) Long-term borrowings	5	41,749,957	43,481,052
	(b) Deferred tax liabilities (net)		43,132,103	43,132,103
	(c) Other long-term liabilities	6	5,628,024	6,537,433
			90,510,084	93,150,588
3	Current liabilities			
	(a) Short-term borrowings	7	292,239,574	285,900,546
	(b) Trade payables	8	79,483,371	170,158,075
	(c) Other current liabilities	9	40,200,599	49,878,989
	(d) Short-term provisions	10	56,363,393	55,770,933
	Total		717,278,685	1,047,415,189
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	11	402,662,430	393,765,005
	(ii) Capital work-in-progress		-	1,191,621
			402,662,430	394,956,626
	(b) Non-current investments	12	2,349,519	4,794,937
	(b) Long-term loans and advances	13	60,171,020	90,022,396
			62,520,539	94,817,333
2	Current assets			
	(a) Inventories	14	34,765,829	129,721,250
	(b) Trade receivables	15	190,272,402	355,818,148
	(c) Cash and cash equivalents	16	2,802,908	17,631,000
	(d) Short-term loans and advances	17	24,254,578	54,470,832
			252,095,717	557,641,230
	Total		717,278,685	1,047,415,189
	See accompanying notes forming part of the financial statements	24-26		

In terms of our report attached.

For BHANDARI & KESWANI
Chartered Accountants
FRN. 000433S

P. Bhandari
Partner
Membership No. 17411

Place : Chennai
Date : 29.05.2012

For and on behalf of the Board of Directors

T. Anil Jain
Managing Director

Sumermal Mehta
Director

T. Jagdish Jain
Director

S. Gopalakrishnan
Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2012

	Particulars	Note No.	For the year ended 31 March, 2012 ₹	For the year ended 31 March, 2011 ₹
1	REVENUE			
	Revenue from operations (gross)	18	429,361,588	823,454,947
	Less: Excise duty	18	10,207,768	21,980,828
	Revenue from operations (net)		419,153,820	801,474,119
2	Other Revenue	19	7,630,445	22,419,686
3	Total revenue (1+2)		426,784,265	823,893,805
4	Expenses			
	(a) Cost of materials consumed	20.a	232,033,282	134,912,697
	(b) Purchase of Traded goods	20.b	260,115,958	496,541,037
	c) Amortization of Deferred Revenue Expenditure ⁹	20.o	-	-
	(d) Employee benefits expense	21	9,707,311	12,406,493
	(e) Finance costs	22	33,233,610	36,108,764
	(f) Depreciation and amortisation expense	11	29,425,728	25,330,522
	(g) Other expenses	23	96,342,771	46,310,895
	Total Expenses		660,858,659	751,610,408
5	Profit / (Loss) before tax (3 ± 4)		(234,074,394)	72,283,397
6	Tax Expense:			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	c) Net current tax expense		-	-
	(d) Deferred tax		-	-
7	Profit / (Loss) for the year (5 ± 6)		(234,074,394)	72,283,397
8	Earnings per share (of Rs.10/- each):			
	Basic and Diluted	25.3	(15.13)	4.67
	Weighted Average number of Equity Shares (F.V of Rs.10/- each)		15,475,176	15,475,176
	See accompanying notes forming part of the financial statements			

In terms of our report attached.
For BHANDARI & KESWANI
Chartered Accountants
FRN. 000433S

P. Bhandari
Partner
Membership No. 17411

Place : Chennai
Date : 29.05.2012

For and on behalf of the Board of Directors

T. Anil Jain
Managing Director

Sumermal Mehta
Director

T. Jagdish Jain
Director

S. Gopalakrishnan
Company Secretary

Note 11 - Fixed assets

Figures in symbol ₹

Tangible assets	GROSS BLOCK			Accumulated depreciation and impairment				NET BLOCK	
	Balance As at 01.04.2011	Additions for the year	Disposals	Balance As at 31.03.2012	Balance As at 01.04.2011	Depreciation / amortisation expense for the year	Other adjustments	Balance As at 31.03.2012	As at 31.03.2011
a. LAND own use	102,279,110	-	-	102,279,110	-	-	-	-	102,279,110
b. BUILDING owned	148,801,382	-	-	148,801,382	13,654,152	4,771,152	-	18,426,088	135,147,230
c. ELECTRICAL INSTALLATIONS owned	25,020,480	-	-	25,020,480	3,088,618	1,188,474	-	4,277,092	21,931,862
d. FURNITURE & FITTINGS owned	8,044,232	-	(32,000)	8,012,232	2,516,350	509,200	-	3,025,551	5,527,882
e. OFFICE EQUIPMENTS owned	3,783,193	74,910	(33,550)	3,824,553	792,325	181,719	-	974,044	2,990,868
f. PLANT & MACHINERY-Cylinder owned	118,828,809	38,738,438	(25,016,046)	132,551,201	35,490,248	19,495,371	(16,839,357)	38,146,262	83,338,560
g. PLANT & MACHINERY Other Owned	47,982,208	303,579	(146,542)	48,139,245	6,280,621	2,290,572	(44,900)	8,526,293	41,701,587
h. VEHICLES - Commercial Owned	518,000	-	(420,526)	97,474	175,756	929,872	(1,571,128)	465,499	342,244
i. VEHICLES - Non Commercial Owned	9,716,101	3,286,126	(3,041,622)	9,960,605	3,281,353	58,586	(225,917)	3,114,022	6,434,748
TOTAL	464,973,514	42,403,053	(28,690,286)	478,686,291	65,279,425	29,425,728	(18,681,302)	76,023,851	399,694,089
Previous year	459,981,789	6,618,263	1,626,537	464,973,515	39,948,901	25,330,522	-	65,279,423	420,032,888

Notes forming part of the financial statements

Notes	Particulars
1.	<p>Corporate information</p> <p>Reflex Refrigerants Limited (referred to 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's registered office is in Chennai, Tamilnadu, India and its Factory is situated in Thiruporur, Kanchipuram District, Tamilnadu.</p>
2.	Significant accounting policies
a	<p>Basis of accounting and preparation of financial statements</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, 1956. 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	<p>Use of estimates</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>
c	<p>Inventories</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>
d	<p>Depreciation and amortisation</p> <p>Depreciation has been provided on the Written Down Value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.</p> <p>Assets costing less than Rs.5,000 each are fully depreciated in the year of capitalisation</p>
e	<p>Revenue recognition</p> <p>Sale of goods</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.</p>
f	Other income
	Interest income is accounted on accrual basis.
g	Fixed Assets
	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.
h	Investments
	<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>

Notes	Particulars
i	<p>Employee benefits</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 compensated absences is accounted as under :</p> <p>(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and</p> <p>(b) in case of non-accumulating compensated absences, when the absences occur.</p> <p><u>Long-term employee benefits</u></p> <p>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.</p>
j	<p>Borrowing costs</p> <p>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.</p>
k	<p>Earnings per share</p> <p>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.</p>
i	<p>Taxes on income</p> <p>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.</p> <p>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</p>

Notes	Particulars
	<p>Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.</p> <p>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.</p> <p>Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.</p> <p>m Impairment of assets</p> <p>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.</p> <p>n Provisions and contingencies</p> <p>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.</p> <p>o Initial Public Offer and Deferred Revenue Expenditure</p> <p>Initial Public Offer expenses have been included in the Preliminary expenses and set off against Share Premium Account.</p> <p>Advertisement, Publicity and other related expenses incurred by the Company towards Brand Building included in the Cost of Project are treated as Deferred Revenue Expenditure and are written off at the rate of 1/5th every year commencing from the year 2008-2009, being the year in which the New Project was commissioned. Advertisement, Public awareness and Brand Building Expenses incurred by the Company after commissioning the new project leading upto the adoption and implementation of Montreal Protocol, in India shall be amortized over a period of 5 years.</p>

Notes forming part of the financial statements

Note 3 -Share Capital

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of Shares	₹	Number of Shares	₹
(a) AUTHORISED				
Equity shares of Rs.10/- each with voting rights	250,000,000	250,000,000	250,000,000	250,000,000
Cumulative Redeemable preference shares of Rs.100/- each	500,000	50,000,000	500,000	50,000,000
(b) ISSUED				
Equity shares of Rs.10/- each with voting rights	15,475,176	154,751,760	15,475,176	154,751,760
C) SUBSCRIBED AND FULLY PAID UP				
Equity shares of Rs.10/- each with voting rights	15,475,176	154,751,760	15,475,176	154,751,760
TOTAL	15,475,176	154,751,760	15,475,176	154,751,760

Refer Notes i) to ii) below

i) Reconciliation of number of Shares

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of Shares	₹	Number of Shares	₹
Equity Shares				
Opening Balance	15,475,176	154,751,760	15,475,176	154,751,760
Changes during the year	-	-	-	-
Closing Balance	15,475,176	154,751,760	15,475,176	154,751,760

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 March, 2012		As at 31 March, 2011	
	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	906,671	5.86%	5,123,970	33.11%
T.Anil Jain	1,549,340	10.01%	2,458,934	15.89%
ACG Pam Pharmaceuticals & Allied Machinery Co Private Limited.	1,210,123	7.82%	0	0%

Note 4 -Reserves and surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Securities premium account		
Opening Balance	232,411,967	232,411,967
Add: Additions during the year	-	-
Closing Balance	232,411,967	232,411,967
(b) General reserve		
Opening Balance	42,210,000	42,210,000
Add: Transferred from surplus in Statement of Profit and Loss	---	---
Closing Balance	42,210,000	42,210,000
C) Deficit in Statement of Profit and Loss		
Opening Balance	(36,817,669)	(109,101,066)
Add: Profit / (Loss) for the year	(234,074,394)	72,283,397
Closing Balance	(270,892,063)	(36,817,669)
Total	3,729,904	237,804,298

Note 5 - Long-term borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Term Loans		
From Banks		
Secured against Building	13,635,894	16,300,000
Secured against Vehicles	49,504	381,052
Secured against Equipment	26,200,000	26,800,000
	39,885,398	43,481,052
From other parties		
Secured	1,864,560	--
UnSecured	--	--
Total	41,749,957	43,481,052

Note 5 - Long - term borrowings (Contd.)

Particulars	Terms of repayment and security	As at 31 March, 2012		As at 31 March, 2011	
		Secured ₹	Unsecured ₹	Secured ₹	Unsecured ₹
<u>Term loans from banks:</u>					
State Bank of India	Term :60 Months Interest Rate:14.50% Security: Building	13,635,894	--	16,300,000	--
State Bank of India	Term :36 Months Interest Rate:% Security: Equipment	26,200,000	--	26,800,000	--
HDFC Bank Ltd	Term :36 Months Interest Rate:19.12% Security: vehicle	49,504	--	200,695	--
HDFC Bank Ltd	Term :36 Months Interest Rate:19.12% Security: vehicle	--	--	17,567	--
ICICI Bank Ltd	Term :36 Months Interest Rate:19.12% Security: vehicle	--	--	162,790	--
Total - term loans from banks		39,885,398		43,481,052	
Term loans from other parties					
Daimler Financial Services (I) Private Ltd	Term :36 Months Interest Rate:19.12% Security: vehicle	1,864,560	--	--	--
Total - term loans from other parties		1,864,560			

(iv) Details of long-term borrowings guaranteed by some of the directors or others:

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Term loans from banks	39,885,398	43,481,052
Term loans from other parties	--	--

(v) The Company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Period of default	₹	Period of default	₹
Term loans from banks				
Principal	5 Months	3,000,000	--	--
Interest	5 Months	2,808,464	--	--

(vi) For the current maturities of long-term borrowings, refer items (a) and (b) in Note 9 Other current liabilities.

Note 6 - Other Long Term Liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Others: Cylinder Deposits	5,628,024	6,537,433
Total	5,628,024	6,537,433

Note 7 - Short-term borrowings

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Loans repayable on demand From Banks		
Secured	191,801,051	219,641,811
unsecured	--	--
Sub Total	191,801,051	219,641,811
(b) Loans and advances from related parties (Refer Note 25.1.b)		
Secured	73,511,071	47,758,735
UnSecured	--	--
Sub Total	73,511,071	47,758,735
(c) Inter Corporate Deposits		
Secured	26,927,452	18,500,000
unsecured	--	--
Sub Total	26,927,452	18,500,000
	292,239,574	285,900,546

Notes

(i) Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2012	As at 31 March, 2011
		₹	₹
Loans repayable on demand from banks:			
State Bank of India - cash Credit Account	Loan Secured against Hypothecation of Stocks and receivables of the Company as Primary Security and Factory Building as Collateral Security.		
		191,801,051	219,641,811
Total - from banks		191,801,051	219,641,811

(ii) Details of short-term borrowings guaranteed by some of the directors or others:

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Loans repayable on demand from banks	191,801,051	219,641,811
Inter Corporate Deposits	26,927,452	18,500,000

(iii) The Company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Period of default	₹	Period of default	₹
Loans repayable on demand from banks	1 Month	191,801,051	-	-

Note 8 - Trade payables

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Trade payables		
Acceptances	79,483,371	170,158,075
Other than Acceptances	-	--
Total	79,483,371	170,158,075

Note 9 - Other current liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Current maturities of long-term debt (Refer Note (I) below)	18,853,210	18,708,553
(b) Other payables		
i) Statutory remittances	16,482,478	12,436,227
ii) Contractually reimbursable expenses	3,233,096	14,263,547
iii) Advances from customers	1,631,815	4,470,662
Total	40,200,599	49,878,989

Note : (i) Current maturities of long-term debt (Refer Notes (I), (iii) and (iv) in Note 5 - Long-term borrowings for details of security and guarantee):

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Term loans		
From Banks		
Secured	18,417,770	18,708,553
unsecured	--	--
	18,417,770	18,708,553
From other parties		
Secured	435,440	--
unsecured	--	-
	435,440	-
Total	18,853,210	18,708,553

Note 10 - Short-term provisions

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Provision for employee benefits:	2,889,937	2,297,477
Sub Total	2,889,937	2,297,477
Provision Others		
(a) Provision for taxes	53,473,456	53,473,456
Sub Total	53,473,456	53,473,456
Total	56,363,393	55,770,933

Note 12 - Non-current investments

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Quantity ₹	Unquoted ₹	Quantity ₹	Unquoted ₹
Investments (At Cost):				
A. Non trade				
(a) Investment in Equity Shares - Non Trade, Unquoted of an Overseas Subsidiary - Sherisha Technologies (S) Pte Ltd., of SGD 1 each.	3,607,334	2,349,519	7,361,905	4,794,937
Total - Non Trade	3,607,334	2,349,519	7,361,905	4,794,937

Note 13 - Long-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Security Deposits		
Secured, considered good		
Unsecured, considered good	7,909,938	9,273,209
Doubtful	-	-
Sub Total	7,909,938	9,273,209
(b) Advance Income tax	47,835,952	47,479,361
(c) Deferred Revenue Expenditure	4,425,130	33,269,826
Sub Total	52,261,082	80,749,187
Total	60,171,020	90,022,396

Note 14 - Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Raw materials	34,765,829	129,721,250
Goods-in-transit		
Sub Total	34,765,829	129,721,250
Total	34,765,829	129,721,250

Note: Details of inventory of Raw Materials

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Refrigerant Gases	34,765,829	129,721,250

Note 15 - Trade receivables - Unsecured, considered good

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	62,796,730	23,555,098
Trade receivables less than six months	98,517,983	332,263,050
Doubtful Trade Assets	28,957,689	-
Total	190,272,402	355,818,148

Note 16 - Cash and Cash Equivalents

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Cash oh hand	602,926	110,165
(b) Balances with banks		
i) In current accounts	199,982	211,335
ii) In deposit accounts	2,000,000	17,309,500
Total	2,802,908	17,631,000

Note 17 - Short-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	₹	₹
(a) Loans and advances to related parties (Refer Note 25.1)		
Secured, considered good	-	-
Unsecured, considered good	5,000	2,013,044
Doubtful	-	-
Sub Total	5,000	2,013,044
(a) Balances with government authorities		
Unsecured, considered good		
i) CENVAT credit receivable	18,025,454	19,952,702
ii) VAT credit receivable	2,721,311	3,800,227
iii) Service Tax credit receivable	308,952	786,180
Sub Total	21,055,717	24,539,109
(c) Others - Advances for Purchase of Goods and Services		
Secured, considered good	-	-
Unsecured, considered good	3,193,861	27,918,680
Doubtful	-	-
Sub Total	3,193,861	27,918,680
Total	24,254,578	54,470,833

Note 18 - Revenue from operations

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
(a) Sale of products	429,361,588	823,454,947
Other operating revenues	--	--
	429,361,588	823,454,947
Less:		
Excise duty	10,207,768	21,980,828
Total	419,153,820	801,474,119

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
(a) Sale of products comprises		
Refrigerant Gases	109,312,314	300,295,317
Electrical Energy	35,357,498	--
Total - Sale of manufactured goods	144,669,812	300,295,317
Traded goods		
Refrigerant Gases	284,691,776	523,159,630
Total - Sale of traded goods	284,691,776	523,159,630
Total - Sale products	429,361,588	823,454,947

Note 19 - Other Income

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Interest income (Refer Note (i) below)	944,712	190,217
Charges recovered from Customers	25,963	109,183
Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	6,659,770	22,120,287
Total	7,630,445	22,419,686

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
(i) Interest income comprises:		
Interest from banks on:		
deposits	944,712	190,217
Interest on income tax refund		
Total - Interest Income	944,712	190,217

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
(ii) Other non-operating income comprises:		
Miscellaneous income [net of expenses directly attributable Rs.Nil (Year ended 31 March, 2011 Rs.Nil)]	6,659,770	22,120,287
Interest on income tax refund		
Total - Other non-operating income	6,659,770	22,120,287

Note 20.a - Cost of materials consumed

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Opening stock	129,721,250	141,062,820
Add: Purchases	137,077,861	123,571,127
	266,799,111	264,633,947
Less: Closing stock	34,765,829	129,721,250
Cost of material consumed	232,033,282	134,912,697
Material consumed comprises:		
Refrigerant Gases	232,033,282	134,912,697
Total	232,033,282	134,912,697

Note 20.b - Purchase of traded goods

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Refrigerant Gases	260,115,958	496,541,037
Total	260,115,958	496,541,037

Note 21 - Employee benefits expense

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Salaries and wages	7,778,773	9,853,777
Provision for Gratuity	592,460	889,527
Contributions to provident and other funds	320,312	347,284
Staff welfare expenses	1,015,766	1,315,905
Total	9,707,311	12,406,493

Note 22 - Finance costs

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
(a) Interest expense on:		
(i) Borrowings	32,202,963	29,228,672
(ii) Others		
- Pre Closure Charges	-	-
(b) Other borrowing costs	216,170	318,517
c) Net (gain) / loss on foreign currency transactions and translation (considered as finance cost)	814,477	6,561,575
Total	33,233,610	36,108,764

Note 23 - Other expenses

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	₹	₹
Advertisement	124,625	220,895
Amortisation of Deferred Revenue Expenditure		
[See Note 2 (o)]	5,546,163	4,159,623
AMC Charges	53,330	--
Bank Charges & Commission	959,694	3,373,742
Bad Debts	4,345,521	--
Business promotion & Marketing Expense	70,412	303,968
Communication	844,429	848,566
Customs duty and Excise duty	4,415,975	8,396,716
Consumption of stores and spare parts	65,512	277,843
Consumption of packing materials	-	5,414,627
Clearing & Forwarding Charges	614,800	5,923,339
Club Membership Fees	215,600	--
Directors Remuneration	137,534	--
Freight & Handling Charges	324,387	469,860
Loss on Sale of Vehicle	1,109,231	--
Loss on Investments	2,145,418	--
Insurance	372,474	382,546
Legal and professional	7,892,153	1,095,680
Miscellaneous expenses	1,576,592	637,580
Payments to auditors towards Statutory Audit	84,270	82,725
Pooja Expense	26,603	--
Postage & Courier	128,851	279,394
Power and fuel	1,184,761	1,184,943
Printing and stationery	785,153	546,367
Rates and taxes	890,754	904,570
Rent including lease rentals (Refer Note 25.2.a)	54,588,327	1,595,717
Repairs and maintenance - Factory	787,999	625,814
Repairs and maintenance - Office	175,908	223,037
Repairs and maintenance - Machinery	423,275	390,732
Repairs and maintenance - Others	98,400	488,428
Sales commission, Brokerage & Discount	395,830	47,981
Subscription	45,035	73,953
Security Charges	625,808	506,020
Charities & Donations	45,500	5,251
Installation and Testing Charges	25,933	--
Transportation, Handling and Carriage expense	2,451,802	5,785,576
Travelling and conveyance	2,764,712	2,065,402
Total	96,342,771	46,310,895

Note 24 - Additional information to the financial statements

	Particulars	As at 31 March, 2012	As at 31 March, 2011
		₹	₹
24.1	Contingent liabilities and Contingent liabilities (a) Disputed demand of VAT. (b) Letter of Credit issued by the Bankers remaining outstanding	98,301,807 --	-- 51,691,940
24.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	Particulars	As at 31 March, 2012	As at 31 March, 2011
		₹	₹
	i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	76,293,707	151,666,278
	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, 2012	For the year ended 31 March, 2011
		₹	₹
24.3	Value of imports calculated on CIF basis Refrigerant Gases	55,477,375	123,571,127
24.4	Expenditure in foreign currency	1,670,050	699,800
24.5	Expenditure related to overseas Travel		
24.6	Earnings in foreign exchange	4,939,128	10,488,691
	Export of goods calculated on FOB basis		
	Amounts remitted in foreign currency during the year on account of dividend	-	--

Note 25 Disclosures under Accounting Standards

25.1 Related party transactions

25.1 a Details of related parties:

Details of related parties:	Details of related parties:
Key Management Personnel and (KMP)	Mr.A.Tarachand Jain, Chairman Mr.T.Anil Jain, Managing Director, and Mr.T.Jagdish Jain, Director. Smt.Ugam Devi, Wife of Mr.A.Tarachand Jain
Relatives of KMP Entities in which KMP / Relatives of KMP can exercise significant influence	Mr.A.Tarachand Jain, is the Director in Sherisha Technologies Pvt Ltd, and Partner in Bombay Metals. Mr. T.Anil Jain Managing Director in Refex Energy Ltd and Director in M/s.Refex Solar Power Pvt Ltd, Refex Wind Power Pvt Ltd, Refex Hydro Power Pvt Ltd. Mr.T.Jagdish Jain, Partner in Bombay Metals, Director in M/s.Refex Solar Power Pvt Ltd, Refex Wind Power Pvt Ltd, Refex Hydro Power Pvt Ltd.

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March, 2012:

25.1.b	particulars	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
	Receiving of services	--	137,534 (1,530,000)	--	-- --	137,534 (1,530,000)
	Unsecured Loans	--	9,132,422 (14,947,839)	-- --	25,071,834 (58,039,157)	24,204,256 72,986,996
	Unsecured Loans outstanding at the end of the year	--	--	-	--	--
	Unsecured Loans	--	32,505,372 (41,123,528)	1,620,000 (1,620,000)	39,385,398 (108,648)	73,510,770 (42,852,176)

Note: Figures in bracket relates to the previous year

	Particulars	As at 31 March, 2012	As at 31 March, 2011
		₹	₹
25.2	Details of leasing arrangements		
25.2 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.		
	Future minimum lease payments		
	not later than one year	1,095,000	1,185,00
	later than one year and not later than five years	1,415,000	
	later than five years	--	-
25.2 b	Leasing of Solar Energy Equipment and Operating Lease Agreement		
	Future minimum lease payments		
	not later than one year	112,391,568	--
	later than one year and not later than five years	131,067,048	--
	later than five years	-	-
	Lease payments recognised in the Statement of Profit and Loss	243,458,616 54,588,327	1,595,717

	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		₹	₹
25.3	Earnings per share		
	Net profit / (loss) for the year	(234,074,394)	72,283,397
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	(234,074,394)	72,283,397
	Weighted average number of equity shares	154,751,176	154,751,176
	Par value per share (Rs.)	10	10
	Earnings per share - Basic	(15.13)	4.67

Note 26 - Previous year's figures

- 26 The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.



Cash Flow Statement for the year ended 31st March, 2012

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

	For the year ended 31st March, 2012 ₹	For the period ended 31st March, 2011 ₹
A. NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	(234,074,394)	72,283,396
ADJUSTMENTS FOR :		
Depreciation	29,425,728	25,330,522
Interest etc. (Net)	32,288,898	29,547,189
Income from Long Term Investments	-	-
Amortisation of Deferred Revenue Expenditure	5,546,163	4,159,623
Income from Current Investments	-	-
Fixed Assets - (Profit) / Loss on Sale	1,109,231	-
Loss on Sale of Current Investments - Net	-	-
Unrealised (Gain)/Loss on Exchange (Net)	-	-
Write off/Loss on sale of Long Term Investment	2,145,418	-
	68,370,020	59,037,334
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(165,704,374)	131,320,730
ADJUSTMENTS FOR :		
Trade and Other Receivables	195,762,000	(76,549,068)
Inventories	94,955,421	11,341,570
Trade Payables and other Current Liabilities	(100,353,094)	17,042,355
CASH GENERATED FROM OPERATIONS	24,659,953	83,155,587
Income Tax Paid	-	-
Cash Flow before Exceptional items	24,659,953	83,155,587
Exceptional items paid/received	-	-
NET CASH FROM OPERATING ACTIVITIES	24,659,953	83,155,587
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	42,403,053	(789,176)
Sale of Fixed Assets	(27,581,055)	1,626,537
Purchase of Business	-	-
Purchase of Current Investments	-	-
Sale/Redemption of Current Investments	-	-
Purchase of Long Term Investments	-	-
Sale of Long Term Investments	300,000	-
Income from Long Term Investments Received	-	-
Income from Current Investments Received	-	-
Interest Received	(944,712)	-
Refund of Deposits towards Property Options	-	-
Loans Given	(24,130,246)	-
Loans Realised	(9,952,960)	837,361
NET CASH USED IN INVESTING ACTIVITIES	14,706,993	83,992,948
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of Share Capital	-	-
Proceeds from Long Term Borrowings	(1,731,094)	2,974,576
Proceeds from other Long Term Liabilities	(909,409)	-
Repayments of Long Term Borrowings	-	-
Net increase / (decrease) in Cash/Export Credit Facilities and other Short Term Loan	6,339,028	(52,550,618)
Interest etc. Paid	(33,233,610)	(29,547,189)
Dividends Paid	-	-
Income Tax on Dividend Paid	-	-
NET CASH FLOW USED IN FINANCING ACTIVITIES	(29,535,085)	(79,123,231)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(14,828,091)	4,869,717
OPENING CASH AND CASH EQUIVALENTS	17,631,000	12,761,282
CLOSING CASH AND CASH EQUIVALENTS	2,802,908	17,631,000
CASH AND CASH EQUIVALENTS COMPRISE :		
Cash and Bank Balances	2,802,908	17,631,000
Unrealised Loss / (Gain) on Foreign Currency Cash and Cash Equivalents	-	-
	2,802,908	17,631,000

In terms of our report attached.

For BHANDARI & KESWANI

Chartered Accountants

FRN. 000433S

P. Bhandari

Partner Membership No.17411

Place : Chennai

Date : 29.05.2012

For and on behalf of the Board of Directors

T. Anil Jain

Managing Director

T. Jagdish Jain

Director

Sumermal Mehta

Director

S.Gopalakrishnan

Company Secretary

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

Annual General Meeting Held on Wednesday the 26th September 2012

Proxy's Name

SIGNATURE OF THE ATTENDING MEMBER/PROXY:



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

Note : This proxy must be delivered to the Company at its Registered Office No. 20, Mooker Nalla Muthu Street, Chennai-600 001, not less than forty-Eight Hours before the time for holding the aforesaid meeting.



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