



## INDEPENDENT AUDITORS' REPORT

To the Members of Elin Appliances Private Limited

### Report on the Audit of Financial Statements

#### Opinion

We have audited the financial statements of **M/s Elin Appliances Private Limited** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit, and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

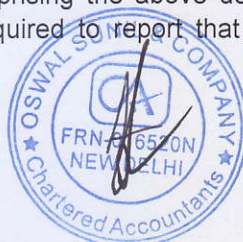
#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Board Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to report that fact. We have nothing to report in this regard.



### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### Auditors' Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Companies Act, 2013, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



The Company being a private limited company and hence comment over compliance with the provisions of section 197 of the Act, with respect to managerial remunerations is not applicable.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position as referred in Note 23(a) of the financial statements.
  - ii. The Company has made provision, as required under the applicable law & accounting standards for material foreseeable losses, if any and as required under the long-term contracts. The Company does not have any derivative contracts.
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For **Oswal Sunil & Company**  
**Chartered Accountants**  
Firm Reg. No. 016520N

  
**CA Sunil Bhansali**  
Partner  
M. No.: 054645



Place: New Delhi  
Dated: 14 JUN 2019

**'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

- i.
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The Company has a programme for the physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No significant discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- ii. The inventories, except for stocks lying with certain third parties from whom confirmations have been obtained for stocks held as at the year end, have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies between the book stocks and physical stocks, which have been properly dealt with in the books of accounts, were not significant.
- iii. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the company has not given any loan to an entity in which directors are interested, hence section 185 was not applicable; and aggregate of other loans and investments are less than the limits specified in sub-section (2) of section 186, hence section 186 was also not applicable during the year.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply, or an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. We have broadly reviewed the cost records maintained by the Company prescribed by the Central Government under Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
  - a. The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, Goods & Service tax, custom duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts were in arrears as at 31st March, 2019 for a period of more than six months from the date they become payable.
  - b. According to the information and explanations given to us, disputed statutory dues referred to above outstanding over six months as at 31<sup>st</sup> March, 2019 aggregating to **Rs. 86,72,304/-** (Net of advance) that have not been deposited on account of disputed matters pending before appropriate authorities as under:



Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	22,69,318	AY 2014-15	Commissioner of Income Tax (Appeal), Parwanoo
		64,02,986	AY 2016-17	
Total		86,72,303		

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any financial institution or banks. The Company has not issued any debentures and hence comment over repayment of dues to debentures holders does not arise.
- ix. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. According to the information and explanation given to us and based on our examination, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. The Company being a private limited company and hence comment over compliance with the provisions of section 197 read with schedule V of the Companies Act, 2013, with respect to the managerial remunerations, as provided in paragraph 3 (xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares/debentures during the year and hence the reporting on compliance of section 42 of the Companies Act, 2013 under provisions of paragraph 3 (xiv) of the Order are not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order are not applicable.

For Oswal Sunil & Company  
Chartered Accountants  
Firm Reg. No. 016520N

CA Sunil Bhansali  
Partner  
M. No.: 054645



Place: New Delhi  
Dated: 14 JUN 2019

**'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2(f) under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Elin Appliances Private Limited** ('the Company') as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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



### Meaning of Internal Financial Controls over Financial Reporting

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

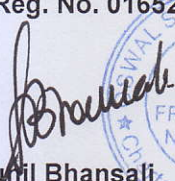
### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Oswal Sunil & Company  
Chartered Accountants  
Firm Reg. No. 016520N

  
CA Sunil Bhansali  
Partner  
M. No.: 054645



Place: New Delhi  
Dated: 14 JUN 2019



**Elin Appliances Private Limited**  
**Balance Sheet as at 31st March 2019**

Particulars	Note No.	Amount ( ₹ )	
		As at 31st March, 2019	As at 31st March, 2018
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	2,000,000	2,000,000
Reserves and Surplus	3	438,462,367	362,975,926
<b>Non-current Liabilities</b>			
Long-Term Borrowings	4	23,766,384	67,206,239
Deferred Tax Liabilities (Net)		1,872,867	2,302,930
<b>Current Liabilities</b>			
Short-Term Borrowings	5	57,734,951	64,203,405
Trade Payables			
(a) Outstanding due of Micro and Small Enterprises		39,477,843	21,812,382
(b) Outstanding due of Others		185,039,514	228,501,900
Other Current Liabilities	6	35,693,063	56,389,053
Short-Term Provisions	7	29,136,641	23,207,802
<b>Total</b>		<b>813,183,630</b>	<b>828,599,637</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property Plant and Equipments	8		
-Tangible Assets		230,960,953	243,587,057
Non Current Investments	9	17,537,179	17,537,179
Long-Term Loans and Advances	10	14,263,334	13,648,726
<b>Current Assets</b>			
Current Investments	11	4,000,000	3,800,000
Inventories	12	165,552,345	256,054,646
Trade Receivables	13	344,189,402	254,137,879
Cash and Cash Equivalents	14	2,266,412	5,566,733
Short-Term Loans and Advances	15	34,414,005	34,267,417
<b>Total</b>		<b>813,183,630</b>	<b>828,599,637</b>

Significant Accounting Policies 1  
 Additional Information 23

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

As per our report of even date attached.

**For Oswal Sunil & Company**  
**Chartered Accountants**  
 Firm Registration Number: 016520N

CA Sunil Bhansali  
 Partner  
 Membership No: 054645



**For and on behalf of the Board**

  
 Vikas Sethia  
 (Director)  
 DIN: 01015622

  
 Sharad Sethia  
 (Director)  
 DIN: 00275864

Place: New Delhi  
 Date: 14 JUN 2019

**Elin Appliances Private Limited**  
**Statement of Profit and Loss for the year ended 31st March 2019**

Amount ( ₹ )

Particulars	Note No.	Year ended 31st March 2019	Year ended 31st March 2018
<b>Revenue:</b>			
Revenue from Operations	16	2,474,095,653	2,052,722,483
Less : Excise Duty		-	(159,010)
		2,474,095,653	2,052,563,473
Other Income	17	4,241,389	3,275,225
<b>Total Revenue</b>		<b>2,478,337,042</b>	<b>2,055,838,698</b>
<b>Expenses:</b>			
Cost of Materials Consumed	18	1,985,892,689	1,683,765,439
Purchase of Stock-in-Trade		15,336,818	7,164,051
Changes in Inventories of Finished Goods, Work-in-Progress	19	21,493,090	(11,612,876)
Employee Benefits Expense	20	213,095,131	174,672,163
Finance Costs	21	22,057,128	29,321,247
Depreciation, Impairment and Amortization Expenses	8	32,519,539	33,320,335
Other expenses	22	94,758,114	73,715,249
<b>Total Expenses</b>		<b>2,385,152,509</b>	<b>1,990,345,608</b>
<b>Profit Before Tax</b>		<b>93,184,533</b>	<b>65,493,090</b>
Add/Less: Tax Expenses			
-Income Tax (MAT)		(19,900,000)	(15,000,000)
-Deferred Tax		430,063	1,140,265
Add: MAT Credit Entitlement for the year		1,917,058	-
Add/(Less): Income Tax related to earlier year		(145,213)	5,762
<b>Profit/ (Loss) for the year (After Tax )</b>		<b>75,486,441</b>	<b>51,639,117</b>
<b>Earning per Equity Share</b> (Face value Rs.10/- per share)		<b>377.43</b>	<b>258.20</b>
Basic & Diluted (in ₹)			

Significant Accounting Policies

1

Additional Information

23

The notes referred to above form an integral part of the Financial Statements  
as per our report of even date attached.

**For Oswal Sunil & Company**

**Chartered Accountants**

**Firm Registration Number: 016520N**

CA Sunil Bhansali  
**Partner**

**Membership No: 054645**



**For and on behalf of the Board**

Vikas Sethia  
**(Director)**

DIN: 01015622

Sharad Sethia  
**(Director)**

DIN: 00275864

Place: New Delhi

Date: 14 JUN 2019

Elin Appliances Private Limited  
Cash Flow Statement for the year ended 31 March 2019

Particulars	Amount (₹)	
	Year ended 31st March 2019	Year ended 31st March 2018
<b>A Cash flows from Operating activities</b>		
Profit before tax	93,184,533	65,493,090
Adjusted for:		
Depreciation and amortisation	32,519,539	33,320,335
Interest expense	21,833,761	28,820,816
Interest income	(141,767)	(939,344)
Profit (Loss) on sale of Property Plant and Equipments	1,341,789	(1,594,565)
Profit (Loss) on sale of Investment	197,440	674,052
<b>Operating profit before working capital changes</b>	<b>145,856,837</b>	<b>127,615,410</b>
<b>Movement in working capital</b>		
Decrease/ (increase) in Trade Receivable	(90,051,523)	(79,111,611)
Decrease/(Increase) in loans and advances	2,571,418	731,799
Decrease/(increase) in inventories	90,502,301	(64,704,692)
Increase/ (decrease) in Trade Payable	(25,796,925)	65,877,925
Increase/ (decrease) in Provision for Bonus & Leave Encashment	1,028,839	209,080
Increase/ (decrease) in Other Provision	-	(1,337,219)
Increase/ (decrease) in Other Current Liabilities	(20,695,990)	(24,611,035)
<b>Cash generated from operations</b>	<b>103,414,957</b>	<b>24,669,657</b>
Direct Tax Paid	16,369,161	12,070,256
<b>Net cash from operating activities</b>	<b>87,045,796</b>	<b>12,599,401</b>
<b>B Cash flows from Investing activities</b>		
Purchase of Property Plant and Equipments	(24,633,644)	(21,000,820)
Capital Advance	(191,608)	341,475
Proceeds from sale of Property Plant and Equipments	6,081,998	60,000
Capital Subsidy Received	-	972,629
Proceeds from Sale of Investment	1,697,440	1,474,052
Purchase of Investment	(1,700,000)	(1,500,000)
Interest Received	141,767	939,344
<b>Net cash used for investing activities</b>	<b>(18,604,047)</b>	<b>(18,713,320)</b>
<b>C Cash flows from Financing activities</b>		
Term loans borrowed	-	50,777,000
Repayment of term loans	(43,439,855)	(63,445,781)
Repayment of working capital loans	(6,468,454)	46,285,914
Interest paid	(21,833,761)	(28,820,816)
<b>Net cash from (used for) financing activities</b>	<b>(71,742,070)</b>	<b>4,796,317</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(3,300,321)</b>	<b>(1,317,602)</b>
Cash and cash equivalents at the beginning of the year	5,566,733	6,884,335
<b>Cash and cash equivalents at the end of the year</b>	<b>2,266,412</b>	<b>5,566,733</b>

**Notes**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement
- Cash and bank balance includes the following, which are not available for use by the Company:

Fixed deposits pledged with banks	-	3,459,225
Fixed deposits pledged with sales tax authorities	180,959	169,223
- The Previous year's figures have been re-classified/re-grouped to conform to current year's classification.

As per our report of even date attached

For Oswal Sunil & Company

Chartered Accountants

Firm Registration Number: 016520N

CA Sunil Bhansali  
Partner

Membership No: 054645



For and on behalf of the Board

Vikas Sethia  
(Director)  
DIN: 01015622

Sharad Sethia  
(Director)  
DIN: 00275864

Place: New Delhi

Date: 14 JUN 2019

**(a) Accounting Basis and Convention :**

The financial Statement have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and to comply with the Accounting Standard referred to in Section 133 of Company Act 2013 read with Rule 7 of Company (Accounts) Rule 2014, to the extent applicable. The company follows mercantile system of accounting.

**(b) Use of Estimates**

The preparation of the financial statements required estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised

**(c) Property Plant and Equipments :****i) Tangible Assets**

Tangible assets are stated at cost less accumulated depreciation & impairment, if any. The Company capitalizes all direct costs including taxes (Net of eligible Input Tax Credit), duties, freight and incidental expenses directly attributable to the acquisition and installation of assets for ready for use, as intended by the management.

**ii) Intangible Assets**

An Intangible asset is recognized, where it is probable that the future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured.

**iii) Capital Work-in-Progress**

All direct expenses incurred for acquiring, erecting and commissioning of Property Plant and Equipments, which are not ready for put into use, are shown under the head "Capital Work-in-Progress". Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as "Capital Advances" under Long Term Loans and Advances.projects.

**(d) Depreciation and Amortisation :**

Depreciation is charged on the basis of useful life of the Property Plant and Equipments. The company has adopted useful life of Property Plant and Equipments as given in Part "C" of Schedule II of Companies act, 2013 in respect of all Property Plant and Equipments. The Company has adopted written down value method for computation of depreciation charged. The Company is amortising the leasehold Land over the period of lease life

**(e) Inventories :**

Inventories are valued at lower of cost or net realisable value. The cost is determined using FIFO basis. Provision for obsolescence is made, wherever necessary.

**(f) Investments :**

Non Current Investments are stated at cost. Provision for diminution is made when there is permanent fall in valuation of Non Current investment. Current Investments comprising investment in Mutual Funds, are stated at lower of cost or quoted / fair value.

**(g) Foreign Currency Transaction :****i) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**ii) Exchange Differences**

Exchange differences arising on the settlement or reporting of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statement, are recognized as income or expense in the Statement of Profit and Loss.

**(h) Impairment of assets:**

The Carrying amount of the Company's Assets are reviewed periodically to determine whether there is any indication of impairment of assets. An impairment Loss is recognised whenever the carrying amount of an assets exceeds its recoverable amount. The recoverable amount is greater of net selling price and value in use.

**(i) Excise Duties :**

Excise Duty is accounted for on accrual basis. The Government of India has implemented Goods and Services Tax (GST) from July 01, 2017 replacing Excise Duty, Services Tax and various other indirect taxes.

**(j) Revenue Recognition :**

Sales up to June 30, 2017 is inclusive of Excise Duty (wherever applicable) and recognized on transfer of property in goods to customers. Sales subsequent to June 30, 2017 is reported net of Goods and Services Tax (GST). Processing Income is recognized as and when such service are provided. Interest income and Rental Income are recognised on time proportion basis. Dividend Income is recognised when right to receive is established.

**(k) Retirement Benefits :**

Contribution to Provident Fund and Family Pension Fund is made monthly and debited to the Statement of Profit and Loss. Liability in respect of gratuity to employees is funded through Elin Appliances Private Limited Employees Group Gratuity Trust under a policy scheme of the Birla Sunlife Insurance Company Limited and Bajaj Allianz Life Insurance Co. Ltd. Yearly contribution paid to the Fund is debited to Statement of Profit and Loss. The employees of the Company can encash unavailed leave during the period of service and yearly provision is made for unavailed leave outstanding at the close of the Financial Year.

**(l) Borrowing Costs :**

Borrowing costs attributable to the acquisition/construction of qualifying assets are capitalised. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Other Borrowing costs are recognised as expenses in the period in which they are incurred.

**(m) Taxation :**

Income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of Income-tax. Act, 1961 Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of being reversal in one or more subsequent periods.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**(n) Recognition of Grants & Subsidy :**

Government Grants are recognized only when there is reasonable assurance that the company will comply with the conditions attached to them and that there is reasonable certainty that grants will be received. Government Grants/assistance related to Property Plant and Equipments are adjusted in the carrying cost of such assets so that depreciation expenses are adjusted on systematic basis over the useful life of asset.

A government grant that becomes receivable for Property Plant and Equipments already discarded or expenses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs, is recognized in Statement of Profit and Loss of the period in which it is actually received.

**(o) Provision, Contingent Liabilities And Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes.

Contingent liability is disclosed in case of:

- i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- ii) a present obligation arising from past events, when no reliable estimate is possible,
- iii) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognised nor disclosed in the financial statements.



2 Share Capital	As at 31st March 2019		As at 31st March 2018	
	Number	₹	Number	₹
<b>Authorised</b> Equity Shares of ₹10 each	200000	2,000,000	200000	2,000,000
<b>Issued</b> Equity Shares of ₹10 each	200000	2,000,000	200000	2,000,000
<b>Subscribed &amp; Paid up</b> Equity Shares of ₹10 each fully paid	200000	2,000,000	200000	2,000,000
<b>Total</b>	<b>200000</b>	<b>2,000,000</b>	<b>200000</b>	<b>2,000,000</b>

a Reconciliation of Shares outstanding	As at 31st March 2019		As at 31st March 2018	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	200000	2,000,000	200000	2,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	200000	2,000,000	200000	2,000,000

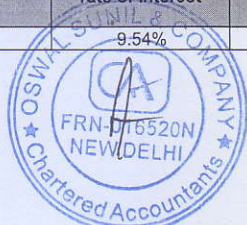
b 125000 (Previous year 125000) Equity Shares are held by M/s. Asian Magnetic Devices Pvt. Ltd., the Holding Company.

c Shareholder(s) holding more than 5% shares	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Asian Magnetic Devices Private Limited	125000	62.5%	125000	62.5%
Elin Electronics Limited	75000	37.5%	75000	37.5%

3 Reserves and Surplus	As at	As at
	31st March 2019	31st March 2018
	₹	₹
<b>a. Securities Premium Account</b>		
Opening Balance	13,500,000	13,500,000
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Closing Balance	<b>13,500,000</b>	<b>13,500,000</b>
<b>b. General Reserves</b>		
Opening Balance	4,500,000	4,500,000
(+) Current Year Transfer	-	-
Closing Balance	<b>4,500,000</b>	<b>4,500,000</b>
<b>c. Surplus</b>		
Opening balance	344,975,926	293,336,809
(+) Net Profit/(Net Loss) For the current year	75,486,441	51,639,117
Closing Balance	<b>420,462,367</b>	<b>344,975,926</b>
<b>Total (a to c)</b>	<b>438,462,367</b>	<b>362,975,926</b>

4 Long-Term Borrowings	As at	As at
	31st March 2019	31st March 2018
	₹	₹
<b>Secured</b>		
<b>(i) Term Loans</b>		
- From Banks	37,052,387	64,206,237
Less: Current maturities of long-term debt (Refer Note 6)	(13,286,003)	(26,999,998)
(Secured by First pari paasu charge by way of mortgage of all Immovable Properties of Company situated at Belikhoh, Tehsil Nalagarh, District Solan, Himachal Pradesh and hypothecation of Plant & Machinery, Equipments, Tools, Spares, Accessories and all other Assets other than specific assets referred in Note no. "4(ii)" below, both present and in future. The Loan is further secured by Personal Guarantee of the Directors & the Corporate Guarantee of Asian Megnetic Device Private Limited)		
(Terms of Repayment- Repayable in Monthly Installments. The amount will be fully paid by Feb'2023)		
<b>(ii) Vehicle Loan</b>		
- From Banks	-	67,531
Less: Current Maturities of Long-term Debt (Refer Note 6)	-	(67,531)
(Secured by hypothecation of respective vehicles and personal guarantee of a Director of the Company)		
(Terms of Repayment- Repayable in Monthly Installments. The amount will be fully paid by Jun'2018)		
	<b>23,766,384</b>	<b>37,206,239</b>
<b>Unsecured</b>		
<b>Loan from Holding Company</b>		
	-	30,000,000
	-	30,000,000
<b>Total</b>	<b>23,766,384</b>	<b>67,206,239</b>

Particulars	Instalments	Weighted Average rate of Interest	Outstanding on at 31st March, 2019	Annual Repayment Schedule		
				2019-20	2020-21	2021-22 to 2022-23
Term Loans	Monthly	9.54%	37,052,387	13,286,003	12,563,787	11,202,597



5	Short-Term Borrowings	As at	As at
		31st March 2019	31st March 2018
		₹	₹
	<b>Secured</b>		
	Loans repayable on demand- Working Capital Loan		
	- From Banks	57,734,951	64,203,405
	(Secured by First charge by way of Hypothecation of Stocks-in-Trade and Book Debts, both present & future. The Loan is further secured by Personal Guarantee of the Directors and the Corporate Guarantee of Asian Megnetic Device Private Limited)		
	<b>Total</b>	<b>57,734,951</b>	<b>64,203,405</b>

6	Other Current Liabilities	As at	As at
		31st March 2019	31st March 2018
		₹	₹
	Current Maturities of Long-term Debts (Refer Note No. 4)		
	- Term Loans	13,286,003	26,999,998
	- Vehicle Loan	-	67,531
	Advance From Customers	-	1,196,800
	Statutory Liabilities Payable	10,272,867	17,715,294
	Liability for Expenses	12,134,193	10,409,430
	<b>Total</b>	<b>35,693,063</b>	<b>56,389,053</b>

7	Short-Term Provisions	As at	As at
		31st March 2019	31st March 2018
		₹	₹
	<b>Provision for employee benefits</b>		
	Bonus and Reward	6,849,469	6,327,217
	Leave Encashment	2,387,172	1,880,585
	<b>Provision - Others</b>		
	Provision for Income Tax	19,900,000	15,000,000
	<b>Total</b>	<b>29,136,641</b>	<b>23,207,802</b>

10	Long-Term Loans and Advances	As at	As at
		31st March 2019	31st March 2018
		₹	₹
	<b>Unsecured, considered good</b>		
	Capital Advances	13,158,334	12,966,726
	Security Deposits	1,105,000	682,000
	<b>Total</b>	<b>14,263,334</b>	<b>13,648,726</b>

12	Inventories (Valued at Cost or Net Realisable Value whichever is lower)*	As at	As at
		31st March 2019	31st March 2018
		₹	₹
	Raw Materials and Components	128,061,646	188,143,448
	Goods-in transit	1,451,559	10,378,968
	Work-in-progress **	13,539,808	11,886,256
	Finished Goods	22,499,332	45,645,974
	** Includes ₹2,12,386/- (Previous Year ₹5,94,252/-) Material lying with Third Parties for Processing		
	<b>Total</b>	<b>165,552,345</b>	<b>256,054,646</b>

\*as taken, valued and certified by the Management

13	Trade Receivables*	As at	As at
		31st March 2019	31st March 2018
		₹	₹
	<b>Unsecured, considered good</b>		
	Debts outstanding for Less than six months	344,153,008	252,260,140
	Others	36,394	1,877,739
	<b>Total</b>	<b>344,189,402</b>	<b>254,137,879</b>

*Trade Receivables includes		As at	As at
		31st March 2019	31st March 2018
Outstanding from Elin Electronics Limited, an associate company		1,770,580	10,630



8 Property Plant and Equipments

Particulars	Gross Block			Depreciation Block			Net Block	
	Balance as at 1st April 2018	Additions/(Disposals)	Sales / Adjustment	Balance as at 1st April 2018	For the year	On sales/ Adjustment	Balance as at 31st March 2019	Balance as at 31st March 2018
	₹	₹	₹	₹	₹	₹	₹	₹
<b>Tangible Assets</b>								
Land	21,297,151	-	-	-	-	-	21,297,151	21,297,151
Buildings	219,065,874	-	-	94,637,131	11,794,216	-	112,634,527	124,428,743
Plant and Machinery	129,328,778	11,231,353	2,931,794	59,524,108	13,837,282	1,541,203	65,808,140	69,804,670
Furniture and Fixtures	8,074,955	-	-	5,608,645	647,500	-	1,818,810	2,466,310
Vehicles	2,467,935	1,483,781	1,340,821	2,089,070	121,780	1,256,291	1,656,336	378,865
Office Equipment	746,368	-	28,050	648,345	39,211	26,647	57,409	98,023
Electric Installation	17,739,455	176,357	-	12,969,471	1,257,410	-	3,688,931	4,769,984
Tools & Instruments	5,076,550	510,459	649,318	2,791,844	432,415	355,486	2,068,918	2,284,706
Computers	4,990,691	664,588	359,579	4,321,550	473,592	341,599	842,157	669,141
Fire & Fighting Equipments	2,150,566	1,021,037	-	1,976,054	454,258	-	741,291	174,512
Mould	23,838,099	8,699,437	5,628,406	10,154,377	2,746,815	2,973,782	16,981,720	13,683,722
Intercom	125,970	-	-	119,671	-	-	6,299	6,299
Dies & Jigs	7,188,664	846,632	648,663	3,663,733	715,050	351,414	3,359,264	3,524,931
<b>Total</b>	<b>442,091,056</b>	<b>24,633,644</b>	<b>11,586,631</b>	<b>198,503,999</b>	<b>32,519,539</b>	<b>6,846,422</b>	<b>230,960,963</b>	<b>243,587,057</b>
<b>Previous Year</b>	<b>430,268,592</b>	<b>21,000,820</b>	<b>9,178,356</b>	<b>171,734,827</b>	<b>33,320,335</b>	<b>6,551,163</b>	<b>198,503,999</b>	<b>258,533,764</b>

\* For Assets on charge/mortgaged refer Note 4 and 5



Non Current Investments										
Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Basis of Valuation
		2019	2018			2019	2018	2019	2018	
<b>Investment in Equity Instruments - Trade</b>										
Elin Electronics Limited	Associate Co.	289000	289000	Unquoted	Fully paid	4.60%	4.60%	17,337,179	17,337,179	At Cost
Shivalik Solid Waste Management Ltd.	Others	20000	20000	Unquoted	Fully paid	0.19%	0.19%	200,000	200,000	At Cost
		<b>Total</b>						<b>17,537,179</b>	<b>17,537,179</b>	
<b>Particulars</b>										
								2019	2018	
								₹	₹	
								17,537,179	17,537,179	
Aggregate amount of Unquoted Investments										





11

Current Investments										
Sr. No.	Name of the Mutual Fund	Subsidiary / JV/ Controlled Entity / Others	No. of Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount ( ₹ )		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			2019 (3)	2018 (4)			2019 (7)	2018 (8)		
	(1)	(2)			(5)	(6)			(9)	(10)
	<b>In Units of Mutual Fund</b>									
1	HDFC Group Unit Fund- Option B	Other	58,494	58,984	Unquoted	Fully paid	2,300,000	2,300,000	Yes	
2	ICICI Prudential Balanced - Growth	Other	-	12,889	Unquoted	Fully paid	-	1,500,000	Yes	
3	Reliance Ultra Short Duration Fund.- Growth Plan	Other	611	-	Unquoted	Fully paid	1,700,000	-	Yes	
	<b>Total</b>						<b>4,000,000</b>	<b>3,800,000</b>		

Particulars	2019	2018
	₹	₹
Aggregate amount of Unquoted Investments {NAV ₹52,47,949/- (Previous Year ₹48,67,089/-)}	4,000,000	3,800,000

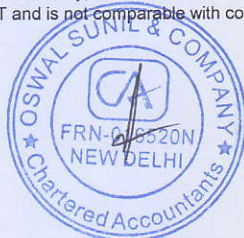


14 Cash and Cash Equivalents	As at	As at
	31st March 2019	31st March 2018
	₹	₹
Cash on hand	65,937	143,102
Balances with banks		
- In Current accounts	2,019,516	1,795,183
- In Fixed Deposits (Includes Interest Accrued ₹11,736/- Previous Year ₹1,07,372/-)*	180,959	3,628,448
<b>* Notes:</b>		
(a) Includes FDR of Rs. 180959/- Previous Year Rs. 169223/- with maturity of more than 12 months		
(b) Out of Above ₹ Nil Previous Year ₹34,59,225/- Pledged with the Bank as margin and balance with Commercial Tax Authorities as Security		
<b>Total</b>	<b>2,266,412</b>	<b>5,566,733</b>

15 Short-Term Loans and Advances	As at	As at
	31st March 2019	31st March 2018
	₹	₹
<b>Unsecured, considered good</b>		
Loans and advances to Staff & Workers	1,590,577	1,236,068
Income Tax Deducted at Source (Receivable)	514,790	2,191,674
Advance Tax	13,500,000	10,500,000
MAT Credit Entitlement	6,771,022	6,553,882
Income Tax under Appeal	2,168,079	567,329
Indirect Taxes Receivables	711,984	156,290
Prepaid Expenses	-	107,710
Export Benefits Receivables	1,266,095	2,350,023
Advances to Suppliers	2,451,089	5,164,072
Inter-corporate Loans	5,440,369	5,440,369
<b>Total</b>	<b>34,414,005</b>	<b>34,267,417</b>

16 Revenue from Operations *	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
<b>Manufactured Goods</b>		
<b>Export Sales</b>		
Visi Cooler	2,293,624	453,040
Electric Iron	70,898,155	64,802,462
Mixer Grinder	-	1,310,400
Sub assembled goods & spares Sales	627,051	716,006
	<b>73,818,830</b>	<b>67,281,908</b>
<b>Domestic Sales</b>		
Electric Iron	919,672,315	792,439,490
Electric Toaster	24,752,911	26,760,598
Bar Blender	89,847,399	114,959,468
Mixer Grinder, Juicer Mixer Grinder	680,662,005	632,464,130
Visi Cooler	9,226	9,232,260
Light Fittings	21,170,300	19,519,449
Switch	46,491,199	47,776,494
Socket	32,298,503	25,307,085
Fan Regulator, Controller, Connector	8,460,716	8,258,907
Mounting Grid, Cover Frame	12,231,808	4,695,086
Hair Dryer	260,713,038	124,501,068
Hair Straightner	249,233,581	131,077,513
Induction cooker	5,859	452,885
Sub assembled goods & spares Sales	27,230,018	28,155,285
	<b>2,372,778,878</b>	<b>1,965,599,717</b>
<b>Sale of Scrap &amp; Waste/ Empties</b>	<b>4,256,655</b>	<b>5,730,782</b>
<b>Sale of Traded Goods</b>		
- Heating Element	1,793,700	597,900
- Brass Insert, Switch, Sleeve, Grommet, Flag, Connector & TN FOI	220,734	289,297
- Plastic Granules & Master Batch	4,162,232	1,603,901
- Rotary Switch, Screw Seal	253,550	354,200
- RTV	1,153,100	-
- Motor	355,621	750,370
- Heater Assy. Parts	9,807,288	4,402,894
	<b>17,746,225</b>	<b>7,998,562</b>
<b>Processing Charges Earned</b>	<b>1,648,664</b>	<b>1,304,904</b>
<b>Export Benefits</b>	<b>3,846,401</b>	<b>4,806,610</b>
<b>Total (a to f)</b>	<b>2,474,095,653</b>	<b>2,052,722,483</b>

\* Revenue for corresponding year ended March, 31, 2018 (up to June 30, 2017) is reported inclusive of Excise duty. The Government of India has implemented Goods and Services tax (GST) from July 01, 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per Accounting Standard, the revenue for the period July 01, 2017 to March 31, 2018 is reported net of GST and is not comparable with corresponding period.



17 Other Income	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
Interest Income (Tax deducted on source ₹ 14,177/- Previous Year ₹ 94,249/-)	141,767	939,344
Rent Received (Tax deducted at source ₹ 2,40,000/- Previous Year ₹ 1,92,000/-)	2,400,000	1,920,000
Excise Duty on Finished Goods	-	1,337,219
Profit on sale of Current Investment	197,440	674,052
Net Gain/(Loss) on Exchange Rate Fluctuation	110,393	(24,825)
Net Gain/(Loss) on Sale of Property Plant and Equipments	1,341,789	(1,594,565)
Dividend Received	50,000	24,000
<b>Total</b>	<b>4,241,389</b>	<b>3,275,225</b>

18 Cost of Materials Consumed	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
Opening Stock	188,143,448	144,298,210
Add : Purchases during the year	1,925,810,887	1,727,610,677
Less : Closing Stock	128,061,646	188,143,448
Material Consumed	1,985,892,689	1,683,765,439
<b>Material consumed comprises of :</b>		
- Plastic Granules	135,774,795	106,960,637
- Sole Plates & Aluminium alloy	179,942,699	148,232,341
- Mains Cord	213,016,394	166,285,074
- Motor (JMG, MG, Bar Blender)	250,234,051	246,610,222
- Heat Sink	2,516,376	12,185
- Adaptors/ Power Pcb	3,525,302	6,149,467
- Tem Assy	2,779,765	20,897
- Fan	2,596,064	497,707
- Others *	1,195,507,243	1,008,996,909
* Others include raw materials, components and spare parts, none of which individually accounts for more than 10 % of the total consumption.		
<b>Total</b>	<b>1,985,892,689</b>	<b>1,683,765,439</b>

19 Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
<b>Opening Stock</b>		
- Finished goods	45,645,974	29,043,044
- Work-in-progress	11,886,256	16,876,310
	57,532,230	45,919,354
<b>Closing Stock</b>		
- Finished goods	22,499,332	45,645,974
- Work-in-progress	13,539,808	11,886,256
	36,039,140	57,532,230
<b>Changes in inventories</b>	<b>21,493,090</b>	<b>(11,612,876)</b>

20 Employee Benefits Expense	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
Salaries and incentives	185,728,148	151,696,909
Contributions to -		
- Gratuity Fund	7,000,000	5,632,516
- Provident and Other Funds	13,440,097	10,975,196
Staff Welfare Expenses	6,926,886	6,367,542
<b>Total</b>	<b>213,095,131</b>	<b>174,672,163</b>

21 Finance Costs	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
Interest Expenses	21,833,761	28,820,816
Bank Charges and Other Borrowing Costs	223,367	500,431
<b>Total</b>	<b>22,057,128</b>	<b>29,321,247</b>



22 Other Expenses	Year ended	Year ended
	31st March 2019	31st March 2018
	₹	₹
<b>Manufacturing Expenses</b>		
Power & Fuel	15,778,820	13,436,858
Carriage & Octroi (Inward)	3,019,408	4,159,431
Processing Charges	18,152,777	15,794,177
Consumable Stores	4,541,357	2,419,233
ISI Charges	6,060,446	2,493,660
Repair & Maintenance :		
- Plant & Machinery	6,396,607	4,270,777
- Building	4,819,271	3,603,442
- Others	8,189,359	3,001,162
<b>Total (a)</b>	<b>66,958,045</b>	<b>49,178,740</b>
<b>Selling and Distribution Expenses</b>		
Advertisement & Sales Promotion Expenses	650,469	1,038,117
Carriage Outwards & Forwarding Expenses	3,882,523	2,842,231
<b>Total (b)</b>	<b>4,532,992</b>	<b>3,880,348</b>
<b>Establishment Expenses</b>		
Auditors Remuneration		
- Statutory Audit	270,000	250,000
- Tax Audit	80,000	75,000
- Certification & Other Fee	191,000	202,422
Calibration Charges	2,101,351	974,921
CSR Expenses ( Refer Note No. 23j )	1,123,967	1,857,046
Communication Expenses	427,882	369,071
Computer Expenses	346,474	590,740
Donation Paid	51,000	-
General Expenses	1,208,233	1,003,339
Insurance Charges	957,020	1,092,280
ISO Expenses	12,000	158,800
Legal & Professional Charges	987,085	816,672
Postage & Courier Expenses	129,257	131,190
Printing & Stationery Expenses	876,325	648,397
Rent Expenses	2,368,750	663,564
Rates and Taxes	435,819	1,049,443
Subscription & Membership Fees	280,455	235,742
Travelling & Conveyance & Bus Expenses	9,468,274	8,973,292
Vehicle Running & Maintenance Expenses	1,952,185	1,564,242
<b>Total (c)</b>	<b>23,267,077</b>	<b>20,656,161</b>
<b>Total (a to c)</b>	<b>94,758,114</b>	<b>73,715,249</b>



## 23 Additional Information

(a) Contingent Liabilities and Commitments (to the extent not provided for)*	As at 31st March 2019	As at 31st March 2018
	₹	₹
Bonus Liability for FY 2014-15 #	2,812,742	2,812,742
Letter of Credit	-	-
Derivative Contracts	-	-
Demand raised in Income Tax Assessments	10,840,383	2,836,647
Capital Commitments	141,781	-
<b>Total</b>	<b>13,794,906</b>	<b>5,649,389</b>

\* The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities / Statutory Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

# Pursuant to enactment of The Payment of Bonus (Amendment) Act 2015 by the Ministry of Law & Justice, whereby the ceiling on bonus, which was Rs 3,500 for an employee, was doubled retrospectively from 1st April, 2014 to Rs 7,000 or the minimum wage for the scheduled employment, as fixed by the appropriate Government, whichever is higher. Upon representation from various industry bodies by way of writ petitions in various State High Court challenging the retrospective effect from FY 2014-15, several high courts have stayed the retrospectively operation temporarily. For all above stay orders, it is clarified that the amendment would take effect from FY 2015-16 onwards. Considering the above stay orders of various high courts, management is of the view that additional liability for Bonus for FY 2014-15 would not arise.

(b) Foreign Transactions	Year ended 31st March 2019	Year ended 31st March 2018
	₹	₹
i Value of imports (C.I.F basis)		
- Raw materials	217,300,641	183,886,079
- Trading Goods	1,514,267	540,152
- Plant & Machinery	8,247,118	11,173,450
ii Expenditure in Foreign Currency on Foreign Travelling	227,062,026	195,599,681
iii Earnings in foreign exchange classified under the following heads, namely:-	1,576,729	863,468
- Export of goods calculated on F.O.B. basis	73,751,018	65,939,079

(c) Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;

Particular	Year ended 31st March 2019		Year ended 31st March 2018	
	Percentage	₹	Percentage	₹
<b>A. Raw Materials and Components</b>				
(I) Imported	14%	276,601,524	12%	201,118,383
(II) Indigenous	86%	1,698,605,889	88%	1,474,483,628
	100%	1,975,207,413	100%	1,675,602,011
<b>B. Stores &amp; Spares</b>				
(I) Imported	0%	-	0%	-
(II) Indigenous	100%	10,685,276	100%	8,163,428
	100%	10,685,276	100%	8,163,428
<b>C. Trading Goods</b>				
(I) Imported	11%	1,744,951	9%	612,471
(II) Indigenous	89%	13,591,867	91%	6,551,580
	100%	15,336,818	100%	7,164,051
<b>Total</b>		<b>2,001,229,507</b>		<b>1,690,929,490</b>

(d) The Company has amounts remaining unpaid to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at 31st March 2019. The disclosure pursuant to the said Act is as under

Particulars	As at 31st March 2019	As at 31st March 2018
	₹	₹
Principal amount remaining unpaid to suppliers under MSMED Act, 2006	39,477,843	21,812,382
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the company.

(e) In the opinion of the Board, all assets other than Property Plant and Equipments and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated

(f) In light of Guidance Note issued by Institute of Chartered Accountants of India, Company recognized the MAT paid during the earlier years as assets under Loans and Advances. MAT credit utilised during the year is reduced from MAT Credit, earlier recognized as an assets.

(g) Deferred Tax Liability/Assets :

Particulars	Deferred Tax Liability	Current Year	Deferred Tax Liability
	As at 31.3.2018	Charge	As at 31.3.2019
<b>Deferred Tax Liability</b>			
Depreciation	5,043,023	(600,522)	4,442,501
<b>Deferred Tax Asset</b>			
Provision for Leave Encashment and Bonus	(2,740,093)	170,459	(2,569,634)
<b>TOTAL</b>	<b>2,302,930</b>	<b>(430,063)</b>	<b>1,872,867</b>



(h) **Segment Information for the Year Ended 31st March 2019:**

The Company is in the business of Manufacturing of Electrical & Electronic Products and Components. Taking in to account the resembling nature of product mix, identical risks & returns and the internal financial reporting system, the business activities of the company have been considered and reported as a single business segment. Also, the lower contribution of export vis-à-vis inland sales of the company does not call for a reporting on geographical segments. Accordingly, no segment reporting is considered necessary as per accounting standard-17 'Segment Reporting' as referred to in Section 133 of Company Act 2013 read with Rule 7 of Company (Accounts) Rule 2014.

(i) **Disclosure as required under 186 (4) of Companies Act 2013:**

Name of Company to whom loan Granted	Amount Outstanding	Purpose for which loan to be utilized	Terms & Conditions
Sard Metals Pvt Ltd.	5,440,369	The Company has granted unsecured loan as Intercorporate Loan	The Loan is recoverable on demand as per the agreed terms.

(j) **Details of expenditures incurred on Corporate Social Responsibility (CSR) activities :**

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
1. On Ensuring environmental sustainability, ecological balance, maintaining quality of soil, air & water	-	1,857,046
2. Promoting Health Care including Preventive Health Care and Sanitation	1,123,967	-
<b>Total</b>	<b>1,123,967</b>	<b>1,857,046</b>
Total amount to be spent on CSR activities as per the provision of section 135 of the Companies Act, 2013	1,262,596	1,007,645

(k) **Related Parties Disclosures**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(i) List of Related Parties (As identified by the Management) where control exists and transactions have taken place:

**Holding Company**

Asian Magnetic Devices Private Limited

**Associates**

Elin Electronics Limited

**Key Management Personnel (Directors):**

Sh. Vikas Sethia

(Director)

Sh. Sharad Sethia

(Director)

(ii) **Transactions during the year with related parties :**

Particulars	Holding Company	Associates	Key Management Personnel (Directors)	Total
	₹	₹	₹	₹
Loan Taken	7,500,000	-	-	7,500,000
	(30,000,000)	(-)	(-)	(30,000,000)
Loan Repayment	37,500,000	-	-	37,500,000
	(35,500,000)	(-)	(-)	(35,500,000)
Sales	-	5,018,997	-	5,018,997
	(-)	(346,054)	(-)	(346,054)
Purchases	-	441,285,921	-	441,285,921
	(-)	(377,108,331)	(-)	(377,108,331)
Payment for services/Interest/Rent	443,836	-	13,472,000	13,915,836
	(3,233,342)	-	(9,812,000)	(13,045,342)
Receipts for services/Rent/Interest	-	2,832,000	-	2,832,000
	(-)	(2,210,700)	(-)	(2,210,700)
Sale of Capital Assets	-	5,214,162	-	5,214,162
	(-)	-	(-)	-
Closing Balance-Receivable	-	-	-	-
	(-)	-	(-)	-
Closing Balance-Payable	-	31,141,160	-	31,141,160
	(30,000,000)	(64,620,310)	(-)	(94,620,310)

Note: Previous year figures are given in bracket

(l) **Earning per share as required by Accounting Standard (AS)-20 :-**

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Net Profit after tax as per Statement of Profit and Loss	75,486,441	51,639,117
Weighted average number of Equity Shares used as denominator for calculating EPS	200,000	200,000
Basic and Diluted EPS (₹)	377.43	258.20
Face Value per Equity Share (₹)	10	10

(m) **As on Balance Sheet Date, the Company's net foreign currency exposure that is not hedged is as under :-**

Particulars	Currency	As at 31st March 2019		As at 31st March 2018	
		Foreign	₹	Foreign	₹
Foreign Currency Receivable	USD	165,846	11,660,626	246,814	15,825,740
Foreign Currency Payable	USD	198,436	13,952,006	214,648	14,291,285
Net Foreign Currency Exposure (Receivable/(Payable))		(32,590)	(2,291,380)	32,166	1,534,455

(n) Figures for the previous year have been regrouped/rearranged wherever necessary (Previous Years figures are in brackets unless otherwise shown in separate columns.)

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

As per our report of even date attached.

For Oswal Sunil & Company

Chartered Accountants

Firm Registration Number: 016520N

CA Sunil Bhansali

Partner

Membership No: 054645

Place New Delhi

Date: 14 JUN 2019

For and on behalf of the Board

Vikas Sethia  
(Director)  
DIN: 01015622

Sharad Sethia  
(Director)  
DIN: 00275864