



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 31st March, 2020, 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, 2020, 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.

Emphasis of Matter

We draw attention to Note 23(n) of the financial statements which describes management's assessment of the impact of the outbreak of COVID-19 pandemic on its business operations and financial results. The said assessment made by the management is highly dependent upon the circumstances as they evolve in subsequent period.

Our opinion is not modified in respect of this matter.

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 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with schedule V to the Act.



(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**

UDIN: 20054645AAAAAV4109

Place: New Delhi

Dated: 07.09.2020



'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 Property Plant and Equipment (fixed assets).
 - b. The Company has a programme for the physical verification of Property Plant and Equipment (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, 2020 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 31st March, 2020 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. According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion, the Company has complied 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.
- 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

UDIN: 20054645AAAAV4109

Place: New Delhi
Dated: 07.09.2020



'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 31st March, 2020 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, 2020, 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
UDIN: 20054645AAAAV4109



Place: New Delhi
Dated: 07.09.2020

Elin Appliances Private Limited
Balance Sheet as at 31st March 2020

Amount (₹)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,000,000	2,000,000
Reserves and Surplus	3	493,842,336	438,462,367
Non-current Liabilities			
Long-Term Borrowings	4	11,216,246	23,766,384
Deferred Tax Liabilities (Net)		59,477	1,872,867
Current Liabilities			
Short-Term Borrowings	5	26,363,696	59,422,752
Trade Payables			
(a) Outstanding due of Micro and Small Enterprises		17,518,891	39,477,843
(b) Outstanding due of Others		186,515,545	185,039,514
Other Current Liabilities	6	39,205,045	35,693,063
Short-Term Provisions	7	30,575,427	29,136,641
Total		807,296,663	814,871,431
Non-current Assets			
Property Plant and Equipment	8		
-Tangible Assets		211,191,644	230,960,953
Non Current Investments	9	17,537,179	17,537,179
Long-Term Loans and Advances	10	18,334,426	14,263,334
Current Assets			
Current Investments	11	104,300,000	4,000,000
Inventories	12	134,732,243	165,552,345
Trade Receivables	13	226,902,360	344,189,402
Cash and Cash Equivalents	14	65,814,565	3,954,213
Short-Term Loans and Advances	15	28,484,246	34,414,005
Total		807,296,663	814,871,431

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


Gaurav Sethia
(Director)
 DIN: 02902047

Place: New Delhi
 Date: 07 SEP 2020

Elin Appliances Private Limited

Statement of Profit and Loss for the year ended 31st March 2020

Amount (₹)

Particulars	Note No.	Year ended 31st March 2020	Year ended 31st March 2019
Revenue:			
Revenue from Operations	16	2,123,873,502	2,474,095,653
Other Income	17	5,066,694	2,899,600
Total Revenue		2,128,940,196	2,476,995,253
Expenses:			
Cost of Materials Consumed	18	1,707,598,348	1,985,892,689
Purchase of Stock-in-Trade		2,182,075	15,336,818
Changes in Inventories of Finished Goods, Work-in-Progress	19	(337,033)	21,493,090
Employee Benefits Expense	20	222,112,275	213,095,131
Finance Costs	21	12,629,498	22,057,128
Depreciation, Impairment and Amortization Expenses	8	27,555,376	32,519,539
Other expenses	22	83,358,495	93,416,325
Total Expenses		2,055,099,034	2,383,810,720
Profit Before Tax		73,841,162	93,184,533
Add/Less: Tax Expenses			
-Income Tax		(20,300,000)	(19,900,000)
-Deferred Tax		1,813,390	430,063
Add: MAT Credit Entitlement for the year		-	1,917,058
Add/(Less): Income Tax related to earlier year		25,417	(145,213)
Profit/ (Loss) for the year (After Tax)		55,379,969	75,486,444
Earning per Equity Share (Face value Rs.10/- per share)		276.90	377.43
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

Form Registration Number: 016520N

CA Sunil Bhansali
 Partner
 Membership No: 054645

Place: New Delhi
 Date: 07 SEP 2020

For and on behalf of the Board


 Vikas Sethia
 (Director)
 DIN: 01015622


 Gaurav Sethia
 (Director)
 DIN: 02902047

Elin Appliances Private Limited
Cash Flow Statement for the year ended 31st March 2020

Amount (₹)

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
A Cash flows from Operating activities		
Profit before tax	73,841,162	93,184,533
Adjusted for:		
Depreciation and amortisation	27,555,376	32,519,539
Interest expense	12,421,201	21,833,761
Interest income	(856,932)	(141,767)
Dividend Received	(35,000)	(50,000)
Provision for Doubtful Receivables	5,827,928	-
(Profit)/ Loss on sale of Property Plant and Equipments	102,496	(1,341,789)
(Profit)/ Loss on sale of Investment	(6,407)	(197,440)
Operating profit before working capital changes	118,849,824	145,806,837
Movement in working capital		
Decrease/ (increase) in Trade Receivable	117,287,042	(90,051,523)
Decrease/(increase) in loans and advances	199,793	2,571,418
Decrease/(increase) in inventories	30,820,102	90,502,301
Increase/ (decrease) in Trade Payable	(20,482,921)	(25,796,925)
Increase/ (decrease) in Provision for Bonus & Leave Encashment	1,038,786	1,028,839
Increase/ (decrease) in Other Current Liabilities	3,511,982	(20,695,990)
Cash generated from operations	251,224,608	103,364,957
Direct Tax Paid	19,972,544	16,369,161
Net cash from operating activities	231,252,064	86,995,796
B Cash flows from Investing activities		
Purchase of Property Plant and Equipments	(15,660,592)	(24,633,644)
Capital Advance	(4,071,092)	(191,608)
Proceeds from sale of Property Plant and Equipments	2,772,029	6,081,998
Capital Subsidy Received	5,000,000	-
Proceeds from Sale of Investment	6,407	1,697,440
Purchase of Investment	(100,300,000)	(1,700,000)
Dividend Received	35,000	50,000
Interest Received	856,932	141,767
Net cash used for investing activities	(111,361,316)	(18,554,047)
C Cash flows from Financing activities		
Repayment of term loans	(12,550,138)	(43,439,855)
Repayment of working capital loans	(33,059,056)	(4,780,653)
Interest paid	(12,421,201)	(21,833,761)
Net cash from (used for) financing activities	(58,030,395)	(70,054,269)
Net increase in cash and cash equivalents (A+B+C)	61,860,353	(1,612,520)
Cash and cash equivalents at the beginning of the year	3,954,213	5,566,733
Cash and cash equivalents at the end of the year	65,814,565	3,954,213

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	-	-
Fixed deposits pledged with sales tax authorities	150,000	150,000
- 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

Place: New Delhi

Date: 07 SEP 2020

For and on behalf of the Board

Vikas Sethia

(Director)

DIN: 01015622

Gaurav Sethia

(Director)

DIN: 02902047

1 Significant Accounting Policies

(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 Companies (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 Equipment :

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 Equipment, 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 Equipment. 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 Equipment. 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) Revenue Recognition :

Sales 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.

(j) 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.

(k) 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.

(l) 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.

(m) 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 Equipment 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.

(n) 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.



Elin Appliances Private Limited
Notes forming part of the Financial Statements

2 Share Capital	As at 31st March 2020		As at 31st March 2019	
	Number	₹	Number	₹
Authorised Equity Shares of ₹10 each	200000	2,000,000	200000	2,000,000
Issued Equity Shares of ₹10 each	200000	2,000,000	200000	2,000,000
Subscribed & Paid up Equity Shares of ₹10 each fully paid	200000	2,000,000	200000	2,000,000
Total	200000	2,000,000	200000	2,000,000

a Reconciliation of Shares outstanding	As at 31st March 2020		As at 31st March 2019	
	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 200000 (Previous year 200000) Equity Shares are held by M/s. Elin Electronics Limited, the Holding Company*.

c Shareholder(s) holding more than 5% shares	As at 31 March 2020		As at 31 March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Elin Electronics Limited* (including shares held by nominees)	200000	100.0%	200000	100.0%

* Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble National Company Law Tribunal (NCLT) Bench at Kolkata vide its order dated 26th September 2019, the erstwhile shareholder Asian Magnetic Devices Pvt Ltd (holding 125000 shares of company constituting 62.5% as on 1st April 2018) was merged with Elin Electronics Limited (holding 75000 shares of company constituting 37.5% as on 1st April 2018). On scheme becoming effective w.e.f 1st April 2018, Elin Electronics Limited became the Holding Company.

3 Reserves and Surplus	As at	As at
	31st March 2020	31st March 2019
	₹	₹
a. Securities Premium Account		
Opening Balance	13,500,000	13,500,000
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Closing Balance	13,500,000	13,500,000
b. General Reserves		
Opening Balance	4,500,000	4,500,000
(+) Current Year Transfer	-	-
Closing Balance	4,500,000	4,500,000
c. Surplus		
Opening balance	420,462,367	344,975,926
(+) Net Profit/(Net Loss) For the current year	55,379,969	75,486,441
Closing Balance	475,842,336	420,462,367
Total (a to c)	493,842,336	438,462,367

4 Long-Term Borrowings	As at	As at
	31st March 2020	31st March 2019
	₹	₹
Secured		
Term Loans		
- From Banks	23,774,764	37,052,387
Less: Current maturities of long-term debt (Refer Note 6)	(12,558,518)	(13,286,003)
(Secured by First pari paasu charge by way of mortgage of all Immovable Properties of Company situated at Belikhol, Tehsil Nalagarh, District Solan, Himachal Pradesh and hypothecation of Plant & Machinery, Equipments, Tools, Spares, Accessories and all other Assets, both present and in future. The Loan is further secured by Personal Guarantee of the Directors)		
(Terms of Repayment- Repayable in Monthly Installments. The amount will be fully paid by Feb'2023)		
Total	11,216,246	23,766,384

Particulars	Instalments	Weighted Average rate of Interest	Outstanding on at 31st March, 2020	Annual Repayment Schedule		
				2020-21	2021-22	2022-23
Term Loans	Monthly	9.54%	23,774,764	12,558,518	9,171,246	2,045,000



5	Short-Term Borrowings	As at	As at
		31st March 2020	31st March 2019
		₹	₹
	Secured		
	Loans repayable on demand- Working Capital Loan		
	- From Banks	26,363,696	59,422,752
	(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)		
	Total	26,363,696	59,422,752

6	Other Current Liabilities	As at	As at
		31st March 2020	31st March 2019
		₹	₹
	Current Maturities of Long-term Debts (Refer Note No. 4)		
	- Term Loans	12,558,518	13,286,003
	Advance From Customers	3,345,103	-
	Statutory Liabilities Payable	12,740,717	10,272,867
	Liability for Expenses	10,560,707	12,134,193
	Total	39,205,045	35,693,063

7	Short-Term Provisions	As at	As at
		31st March 2020	31st March 2019
		₹	₹
	Provision for employee benefits		
	Bonus and Reward	7,625,363	6,849,469
	Leave Encashment	2,650,064	2,387,172
	Provision - Others		
	Provision for Income Tax	20,300,000	19,900,000
	Total	30,575,427	29,136,641

10	Long-Term Loans and Advances	As at	As at
		31st March 2020	31st March 2019
		₹	₹
	Unsecured, considered good		
	Capital Advances	17,229,426	13,158,334
	Security Deposits	1,105,000	1,105,000
	Total	18,334,426	14,263,334

12	Inventories (Valued at Cost or Net Realisable Value whichever is lower)*	As at	As at
		31st March 2020	31st March 2019
		₹	₹
	Raw Materials and Components	96,540,182	128,061,646
	Goods-in transit	1,815,888	1,451,559
	Work-in-progress **	17,290,622	13,539,808
	Finished Goods	19,085,551	22,499,332
	** Includes ₹5,91,317/- (Previous Year ₹2,12,386/-) Material lying with Third Parties for Processing		
	Total	134,732,243	165,552,345

*as taken, valued and certified by the Management

13	Trade Receivables*	As at	As at
		31st March 2020	31st March 2019
		₹	₹
	Unsecured, considered good		
	Debts outstanding for Less than six months	226,853,294	344,153,008
	Others	49,066	36,394
	Total	226,902,360	344,189,402

	As at	As at
	31st March 2020	31st March 2019
	₹	₹
*Trade Receivables includes		
Outstanding from Elin Electronics Limited, the holding company	1,084,595	1,770,580



Elin Appliances Private Limited
Notes on financial statements

8 Property Plant and Equipment

Particulars	Gross Block			Depreciation Block			Net Block		
	Balance as at 1st April 2019	Additions/ (Disposals)	Sales / Adjustment	Balance as at 31st March 2020	For the year	Depreciation Written Back #	Sales/ Adjustment	Balance as at 31st March 2020	Balance as at 31st March 2019
Tangible Assets									
Land	21,297,151	-	-	21,297,151	-	-	-	21,297,151	21,297,151
Buildings	219,065,874	-	-	219,065,874	10,679,147	-	-	101,955,380	112,634,527
Plant and Machinery	137,628,337	8,191,271	5,478,208	140,341,400	12,299,074	3,163,759	369,627	59,755,515	65,808,140
Furniture and Fixtures	8,074,955	-	-	8,074,955	478,232	-	-	1,340,578	1,818,810
Vehicles	2,610,895	-	-	2,610,895	529,819	-	-	1,126,717	1,656,336
Office Equipment	718,318	54,144	-	772,462	53,343	-	-	58,210	57,409
Electric Installation	17,915,812	689,125	826,017	17,778,920	1,093,501	-	784,668	3,243,206	3,688,931
Tools & Instruments	4,937,691	293,809	-	5,231,500	404,466	-	-	1,958,261	2,068,918
Computers	5,295,700	1,046,738	270,676	6,071,762	866,166	-	257,142	1,009,195	842,157
Fire & Fighting Equipments	3,171,603	247,333	-	3,418,936	407,440	-	-	581,184	741,291
Mould	26,909,130	3,820,720	2,902,817	27,827,033	3,162,081	-	191,756	14,929,298	16,981,720
Intercom	125,970	-	-	125,970	6,299	-	-	-	6,299
Dies & Jigs	7,386,633	1,317,452	-	8,704,085	739,767	-	-	3,936,949	6,299
Total	455,138,069	15,660,592	9,477,718	461,320,943	30,719,735	3,163,759	1,603,193	250,129,299	230,960,953
Previous Year	442,091,056	24,633,644	11,586,631	198,503,999	32,519,539	-	6,846,422	224,177,116	243,587,057

* For Assets on charge/mortgaged refer Note 4 and 5
Refer note no. 23 (f)



Elin Appliances Private Limited
Notes forming part of the Financial Statements

9

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
		2020	2019			2020	2019	2020	2019	
Investment in Equity Instruments - Trade										
Elin Electronics Limited	Holding Company	289000	289000	Unquoted	Fully paid	4.07%	5.51%	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
Total								17,537,179	17,537,179	

Particulars

	2020	2019
Aggregate amount of Unquoted Investments	₹ 17,537,179	₹ 17,537,179



Elin Appliances Private Limited
Notes forming part of the Financial Statements

11 Current Investments

Sr. No.	Name of the Mutual Fund	Subsidiary / Associate / 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
			2020 (3)	2019 (3)			2020 (7)	2019 (7)		
	In Units of Mutual Fund									
1	HDFC Group Unit Linked Plan- Option B	Other	63,374	58,494	Unquoted	Fully paid	2,600,000	2,300,000	Yes	
2	Nippon India Ultra Short Duration Fund-Growth Option-Growth Plan	Other	611	611	Unquoted	Fully paid	1,700,000	1,700,000	Yes	
3	Nippon India Ultra Short Duration Fund-Segregated Portfolio 1- Growth Plan	Other	611	-	Unquoted	Fully paid	-	-	Yes	
4	Axis Banking & Psu Debt Fund-Regular Growth(Bd-Gp)	Other	52,941	-	Unquoted	Fully paid	100,000,000	-	Yes	
	Total						104,300,000	4,000,000		

Particulars

Particulars	2020	2019
	₹	₹
Aggregate amount of Unquoted Investments (NAV ₹10,70,28,412/- (Previous Year ₹52,47,949/-))	104,300,000	4,000,000



14 Cash and Cash Equivalents	As at	As at
	31st March 2020	31st March 2019
	₹	₹
Cash on hand	108,474	65,937
Cheque/Drafts in hand	144,781	-
Balances with banks		
- In Current accounts	65,366,363	3,707,317
- In Fixed Deposits (Includes Interest Accrued ₹44,947/- Previous Year ₹30,959/-)*	194,947	180,959
* Notes:		
(a) Includes FDR Rs. 1,50,000/- (Previous Year Rs. 1,50,000/-) with maturity of more than 12 months		
(b) Out of above FDR Rs. 1,50,000/- (Previous year Rs. 1,50,000/-) pledged with Commercial tax authorities as security		
Total	65,814,565	3,954,213

15 Short-Term Loans and Advances	As at	As at
	31st March 2020	31st March 2019
	₹	₹
Unsecured, considered good (unless otherwise stated)		
Loans and advances to Staff & Workers	1,516,098	1,590,577
Income Tax Deducted at Source (Receivable)	579,487	514,790
Advance Tax	13,500,000	13,500,000
MAT Credit Entitlement	6,804,287	6,771,022
Income Tax under Appeal	2,168,079	2,168,079
Indirect Taxes Receivables	1,514,824	711,984
Export Benefits Receivables	1,560,303	1,266,095
Advances to Suppliers	841,168	2,451,089
Inter-corporate Loans (Doubtful)	5,827,928	5,440,369
Less- Provision for Doubtful Receivable (Refer Note 23 (c))	(5,827,928)	-
Total	28,484,246	34,414,005

16 Revenue from Operations	Year ended	Year ended
	31st March 2020	31st March 2019
	₹	₹
Manufactured Goods		
Export Sales		
Visi Cooler	-	2,293,624
Electric Iron	54,751,895	70,898,155
Sub assembled goods & spares Sales	12,150	627,051
(a)	54,764,045	73,818,830
Domestic Sales		
Electric Iron	741,202,351	919,672,315
Electric Toaster	15,723,991	24,752,911
Bar Blender	81,917,655	89,847,399
Mixer Grinder, Juicer Mixer Grinder	635,611,922	680,662,005
Visi Cooler	147,619	9,226
Light Fittings	22,029,746	21,170,300
Switch	42,820,585	46,491,199
Socket	31,608,836	32,298,503
Fan Regulator, Controller, Connector	16,305,001	8,460,716
Mounting Grid, Cover Frame	34,022,214	12,231,808
Hair Dryer	183,691,537	260,713,038
Hair Straightner	234,891,207	249,233,581
Induction cooker	-	5,859
Sub assembled goods & spares Sales	19,294,946	27,230,018
(b)	2,059,267,610	2,372,778,878
Sale of Scrap & Waste/ Empties		
(c)	2,790,396	4,256,655
Sale of Traded Goods		
- Heating Element	936,710	1,793,700
- Brass Insert, Switch, Sleeve, Grommet, Flag, Connector & TN Foil	-	220,734
- Plastic Granules & Master Batch	590,115	4,162,232
- Rotary Switch, Screw Seal	127,050	253,550
- RTV	-	1,153,100
- Motor	513,134	355,621
- Heater Assy. Parts	-	9,807,288
- Aluminium Alloy	253,238	-
(d)	2,420,247	17,746,225
Processing Charges Earned		
(Tax deducted at source ₹ 25852/- Previous Year ₹ 5600/-)	1,904,045	1,648,664
(e)		
Export Benefits		
(f)	2,727,159	3,846,401
Total (a to f)	2,123,873,502	2,474,095,853



17 Other Income	Year ended 31st March 2020	Year ended 31st March 2019
	₹	₹
Interest Income (Tax deducted on source ₹ 84638/- Previous Year ₹ 14,177/-)	856,932	141,767
Rent Received (Tax deducted at source ₹ 3,84,000/- Previous Year ₹ 2,40,000/-)	3,840,000	2,400,000
Profit on sale of Current Investment	6,407	197,440
Net Gain/(Loss) on Exchange Rate Fluctuation	328,355	110,393
Dividend Received	35,000	50,000
Total	5,066,694	2,899,600

18 Cost of Materials Consumed	Year ended 31st March 2020	Year ended 31st March 2019
	₹	₹
Opening Stock	128,061,646	188,143,448
Add : Purchases during the year	1,678,076,884	1,925,810,887
Less : Closing Stock	96,540,182	128,061,646
Material Consumed	1,707,598,348	1,985,892,689
Material consumed comprises of :		
- Plastic Granules	111,356,176	135,774,795
- Sole Plates & Alluminium alloy	141,527,096	179,942,699
- Mains Cord	174,322,547	213,016,394
- Motor (JMG, MG, Bar Blender)	228,569,663	250,234,051
- Heat Sink	1,859,240	2,516,376
- Adaptors/ Power Pcb	159,758	3,525,302
- Tem Assy	1,989,199	2,779,765
- Fan	1,725,229	2,596,064
- Others *	1,046,089,440	1,195,507,243
* Others include raw materials, components and spare parts, none of which individually accounts for more than 10 % of the total consumption.		
Total	1,707,598,348	1,985,892,689

19 Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade	Year ended 31st March 2020	Year ended 31st March 2019
	₹	₹
Opening Stock		
- Finished goods	22,499,332	45,645,974
- Work-in-progress	13,539,808	11,886,256
	36,039,140	57,532,230
Closing Stock		
- Finished goods	19,085,551	22,499,332
- Work-in-progress	17,290,622	13,539,808
	36,376,173	36,039,140
Changes in inventories	(337,033)	21,493,090

20 Employee Benefits Expense	Year ended 31st March 2020	Year ended 31st March 2019
	₹	₹
Salaries and incentives	196,562,785	185,728,148
Contributions to -		
- Gratuity Fund	3,100,000	7,000,000
- Provident and Other Funds	14,530,364	13,440,097
Staff Welfare Expenses	7,919,126	6,926,866
Total	222,112,275	213,095,131

21 Finance Costs	Year ended 31st March 2020	Year ended 31st March 2019
	₹	₹
Interest Expenses	12,421,201	21,833,761
Bank Charges and Other Borrowing Costs	208,297	223,367
Total	12,629,498	22,057,128



22 Other Expenses	Year ended	Year ended
	31st March 2020	31st March 2019
	₹	₹
Manufacturing Expenses		
Power & Fuel	14,208,556	15,778,820
Carriage & Octroi (Inward)	2,676,867	3,019,408
Processing Charges	15,194,211	18,152,777
Consumable Stores	3,491,733	4,541,357
ISI Charges	5,477,465	6,060,446
Repair & Maintenance :		
- Plant & Machinery	3,625,452	6,396,607
- Building	4,136,579	4,819,271
- Others	3,393,824	8,189,359
Total (a)	52,204,887	66,958,045
Selling and Distribution Expenses		
Advertisement & Sales Promotion Expenses	517,942	650,469
Carriage Outwards & Forwarding Expenses	2,062,046	3,882,523
Total (b)	2,579,988	4,532,992
Establishment Expenses		
Auditors Remuneration		
- Statutory Audit	300,000	270,000
- Tax Audit	50,000	80,000
- Certification & Other Fee	243,500	191,000
Calibration Charges	1,380,095	2,101,351
CSR Expenses (Refer Note No. 23(j))	1,624,200	1,123,967
Communication Expenses	413,318	427,882
Computer Expenses	407,306	346,474
Donation Paid	-	51,000
General Expenses	2,012,924	1,208,233
Insurance Charges	2,013,940	957,020
ISO Expenses	18,000	12,000
Legal & Professional Charges	702,045	987,085
Net Gain/(Loss) on Sale of Property Plant and Equipments	102,496	(1,341,789)
Postage & Courier Expenses	204,687	129,257
Printing & Stationery Expenses	707,292	876,325
Provision for Doubtful Receivable (Refer note no. 23 (o))	5,827,928	-
Rent Expenses	2,264,000	2,368,750
Rates and Taxes	367,257	435,819
Subscription & Membership Fees	398,305	280,455
Travelling & Conveyance & Bus Expenses	7,725,956	9,468,274
Vehicle Running & Maintenance Expenses	1,810,571	1,952,185
Total (c)	28,573,820	21,925,288
Total (a to c)	83,358,495	93,416,326



(a) Contingent Liabilities and Commitments (to the extent not provided for)*	As at 31st March 2020	As at 31st March 2019
	₹	₹
Letter of Credit	-	-
Derivative Contracts	-	-
Demand raised in Income Tax Assessments	10,840,383	10,840,383
Capital Commitments	4,350,300	141,781
Total	15,190,683	10,982,164

* 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.

(b) Foreign Transactions	Year ended 31st March 2020	Year ended 31st March 2019
	₹	₹
i Value of imports (C.I.F basis)		
- Raw materials	198,470,313	217,300,641
- Trading Goods	604,769	1,514,267
- Plant & Machinery	4,652,698	8,247,118
	203,727,780	227,062,026
ii Expenditure in Foreign Currency on Foreign Travelling	257,760	1,576,729
iii Earnings in foreign exchange classified under the following heads, namely:-		
- Export of goods calculated on F.O.B. basis	54,746,072	73,751,018

(c) Particular	Year ended 31st March 2020		Year ended 31st March 2019	
	Percentage	₹	Percentage	₹
A. Raw Materials and Components				
(i) Imported	14%	234,945,568	14%	276,601,524
(ii) Indigenous	86%	1,465,238,796	86%	1,698,605,889
	100%	1,700,184,364	100%	1,975,207,413
B. Stores & Spares				
(i) Imported	0%	-	0%	-
(ii) Indigenous	100%	7,413,984	100%	10,685,276
	100%	7,413,984	100%	10,685,276
C. Trading Goods				
(i) Imported	37%	814,370	11%	1,744,951
(ii) Indigenous	63%	1,367,705	89%	13,591,867
	100%	2,182,075	100%	15,336,818
Total		1,709,780,423		2,001,229,507

(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 2020. The disclosure pursuant to the said Act is as under

Particulars	As at 31st March 2020	As at 31st March 2019
	₹	₹
Principal amount remaining unpaid to suppliers under MSMED Act, 2006	17,518,891	39,477,843
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 Equipment 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) During the year, the Company has received Central Investment Subsidy on Plant & Machinery from Directorate of Industries, Himachal Pradesh of ₹ 50,00,000/-. On receipt of such subsidy, the original cost of related Plant & Machinery has been reduced and consequently depreciation amounting ₹ 31,63,759/- as charged on such amount in earlier years have been written back in the Statement of Profit and Loss.

(g) Deferred Tax Liability/(Assets) :

Particulars	Deferred Tax Liability / (Assets)	Current Year	Deferred Tax Liability / (Assets)
	As at 31.3.2019	Charge	As at 31.3.2020
Deferred Tax Liability			
Depreciation	4,442,501	96,930	4,539,431
Deferred Tax Asset			
Provision for Leave Encashment and Bonus	(2,569,634)	(288,990)	(2,858,624)
Provision for Doubtful Receivable	-	(1,621,330)	(1,621,330)
TOTAL	1,872,867	(1,813,390)	59,477

(h) Segment Information for the Year Ended 31st March 2020:

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 Companies (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.	5,827,928	The Company has granted unsecured loan as Intercompany 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, 2020	Year ended 31st March, 2019
1. On Ensuring environmental sustainability, ecological balance, maintaining quality of soil, air & water	-	-
2. Promoting Health Care including Preventive Health Care and Sanitation	1,624,200	1,123,967
Total	1,624,200	1,123,967
Total amount to be spent on CSR activities as per the provision of section 135 of the Companies Act, 2013	1,386,361	1,262,596

(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
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	Key Management Personnel (Directors)	Total
	₹	₹	₹
Loan Taken	(7,500,000)	(-)	(7,500,000)
Loan Repayment	(37,500,000)	(-)	(37,500,000)
Sales	1,466,441	-	1,466,441
Purchases	(4,167,170)	(-)	(4,167,170)
Payment for services/Interest/Rent	384,110,066	-	384,110,066
Receipts for services/Rent/Interest	(369,619,934)	(-)	(369,619,934)
Sale of Capital Assets	-	15,094,000	15,094,000
Closing Balance- Receivable	(443,836)	(13,472,000)	(13,915,836)
Closing Balance- Payable	3,840,000	-	3,840,000
	(2,400,000)	(-)	(2,400,000)
	(4,502,653)	(-)	(4,502,653)
	-	(-)	-
	-	(-)	-
	73,402,716	-	73,402,716
	(31,141,160)	(-)	(31,141,160)

Note: Previous year figures are given in bracket

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

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
Net Profit after tax as per Statement of Profit and Loss	55,379,969	75,486,441
Weighted average number of Equity Shares used as denominator for calculating EPS	200,000	200,000
Basic and Diluted EPS (₹)	276.90	377.43
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 2020		As at 31st March 2019	
		Foreign	₹	Foreign	₹
Foreign Currency Receivable	USD	87,571	6,738,604	165,846	11,660,626
Foreign Currency Payable	USD	76,495	5,886,313	198,436	13,952,006
Net Foreign Currency Exposure (Receivable/(Payable))		11,076	852,291	(32,590)	(2,291,380)

(n) In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down which has caused significant disturbance and slowdown of economic activity due to supply chain disruption, unavailability of personnel, closure of non-essential services for long or indefinite period of time. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements in assessing the recoverability and carrying values of its property, plant and equipment, trade receivables, investments and inventories. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and expects the carrying amount of these assets will be recovered and no material adjustment required in the financial statements. The Impact Assessment carried out by the Management of the Company does not indicate any adverse impact on its ability to continue as a going concern. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements due to uncertainties associated with its nature and duration and is highly dependent on future economic developments. The Company will continue to closely monitor any material changes to future economic conditions

(o) The Company had given an Inter Corporate Loan of Rs. 58,27,928/- (including accumulated interest) to a party on a short term basis. On the request of the borrower, the period for its repayment had been extended from time to time. The interest chargeable on loan which were due for annual payment along with principal outstanding has not been repaid by the borrower. Pending such uncertainty in recovery, the company has provided full provision against such doubtful receivable outstanding. Hence, considering the principle of prudence, provision of interest on such loan amounting to Rs. 6,99,351/- has not been made during the current year

(p) 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

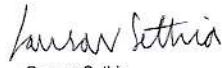
Place New Delhi

Date: 07 SEP 2020

For and on behalf of the Board



Vikas Sethia
(Director)
DIN: 01015622



Gaurav Sethia
(Director)
DIN: 02902047