



## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of Elin Electronics Limited**

**Report on the Audit of the Consolidated Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of **Elin Electronics Limited** (hereinafter referred to as the "Parent") and its subsidiary (the parent company and its subsidiary together referred to as the "Group"), which comprising of the consolidated Balance Sheet as at 31st March, 2021, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the Group as at 31st March, 2021, and their consolidated profit and their consolidated 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 consolidated financial statements section of our report. We are independent of the Group 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 consolidated 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 obtained by us, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statement.

### **Emphasis of Matter**

We draw attention to Note 27(k) of the consolidated 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 above matters.

### **Other Information**

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information comprising the above documents and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 the fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Consolidated Financial Statements**

The Parent'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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statement by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the Group are responsible for assessing the ability of the Group 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 respective Board of directors of the Companies included in the Group are responsible for overseeing the financial reporting process of the group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 financial controls 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 Group 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statement of such entities included in the consolidated financial statement of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent Company 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

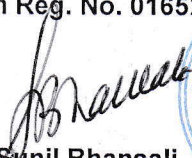
As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

- 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, 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, 2021 taken on record by the Board of Directors of the Parent and its Subsidiary Company, none of the directors of the company is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 A".



- 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, in respect of the Parent Company, the remuneration paid / provided by the Company to their directors are 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 Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note 27(a) to the consolidated financial statements.
  - ii. The Group have 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 Group 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: 21054645AAAABD3448



Place: New Delhi  
Dated: 16.07.2021



**'Annexure – A' TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph "f" under 'Report on the 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")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of **ELIN ELECTRONICS LIMITED** (herein after referred as the "Parent") and its subsidiary company (the parent company and its subsidiary together referred to as the "Group") as on that date.

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

The respective board of the directors of the Parent Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the guidance note on Audit of Internal financial control over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the respective 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**

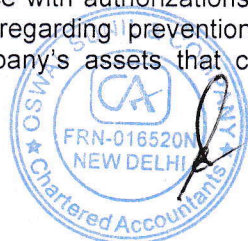
Our responsibility is to express an opinion on the group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal financial controls over financial reporting (the "Guidance Note") and the standards on auditing as specified 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 Institute of Chartered Accountants of India. 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 were 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 control 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, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 group'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 consolidated 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, 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 consolidated financial statements in accordance with the 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; (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 consolidated 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, to the best of our information and according to the explanations given to us, the Group have, 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 at 31st March, 2021, based on the internal control over financial reporting criteria established by the respective companies of the Group 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: 21054645AAAABD3448



Place: New Delhi  
Dated: 16.07.2021



**ELIN ELECTRONICS LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021**

		As At 31st March,2021 ₹	As At 31st March,2020 ₹
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHAREHOLDERS' FUNDS</u></b>			
Share Capital	2	68,067,000	68,067,000
Reserves and Surplus	3	2,285,540,866	2,020,015,614
		2,353,607,866	2,088,082,614
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long-Term Borrowings	4	372,382,777	401,454,905
Deferred Tax Liabilities (Net)	5	-	7,598,836
		372,382,777	409,053,741
<b><u>CURRENT LIABILITIES</u></b>			
Short-Term Borrowings	6	566,546,963	191,114,539
Trade Payables			
- Micro and Small Enterprises		194,943,293	102,630,397
- Others		850,861,367	578,966,036
Other Current Liabilities	7	303,951,294	207,758,256
Short-Term Provisions	8	85,335,292	53,251,936
		2,001,638,209	1,133,721,164
<b>TOTAL</b>		<b>4,727,628,852</b>	<b>3,630,857,519</b>
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
Property Plant and Equipment	9		
- Tangible Assets		1,293,531,061	1,338,348,954
- Intangible Assets		5,234,428	607,200
- Capital Work in Progress		564,024	278,689
Non Current Investments	10	300,000	300,000
Deferred Tax Assets (Net)	5	4,116,402	-
Long-Term Loans and Advances	11	206,371,943	168,086,630
Other non-current assets		7,127,360	332,198
		1,517,245,218	1,507,953,671
<b><u>CURRENT ASSETS</u></b>			
Current Investments	12	120,213,727	241,217,135
Inventories	13	1,149,926,482	798,997,254
Trade Receivables	14	1,828,402,389	909,307,727
Cash and Bank balances	15	53,811,812	104,050,094
Short-Term Loans and Advances	16	57,961,019	69,187,026
Other Current assets	17	68,205	144,612
		3,210,383,634	2,122,903,848
<b>TOTAL</b>		<b>4,727,628,852</b>	<b>3,630,857,519</b>
Significant Accounting Policies	1		
Additional Information	27		

As per our report of even date attached  
For Oswal Sunil & Company  
Chartered Accountants  
Firm Registration Number: 016520N

*Sunil Bhansali*  
CA Sunil Bhansali  
Partner  
Membership No: 054645

Place : New Delhi  
Date : 16 JUL 2021

For and on behalf of the Board

*M.L. Sethia*  
M.L.SETHIA  
Managing Director  
DIN: 00081367

*Vinay Kumar Sethia*  
VINAY KUMAR SETHIA  
Whole Time Director  
DIN: 00082184

*Avinash K. Karwa*  
AVINASH KARWA  
Company Secretary  
Membership No: A20424





**ELIN ELECTRONICS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021**

	Notes	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b><u>INCOME</u></b>			
Revenue from Operations	18	8,623,782,493	7,855,837,933
Other Income	19	13,999,295	8,217,575
<b>Total Revenue</b>		<b>8,637,781,788</b>	<b>7,864,055,508</b>
<b><u>EXPENSES</u></b>			
Cost of Materials Consumed	20	6,168,175,588	5,425,676,902
Purchases of Stock-in-Trade		119,074,585	167,888,183
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	21	(40,343,372)	(55,554,533)
Employee Benefits Expenses	22	1,079,442,254	1,058,057,109
Finance Costs	23	96,764,700	116,591,052
Research & Development Expenses	24	60,456,637	65,546,335
Depreciation, Amortisation and Impairment Expenses	9	228,167,639	202,701,556
Other Expenses	25	562,227,290	638,629,096
<b>Total Expenses</b>		<b>8,273,965,321</b>	<b>7,619,535,700</b>
<b>PROFIT BEFORE TAX</b>		<b>363,816,467</b>	<b>244,519,808</b>
Tax Expenses			
Income Tax		109,900,000	53,700,000
Short / (Excess) Provision for Income Tax of earlier year		106,453	(240,060)
Deferred Tax		(11,715,238)	5,229,440
<b>Profit for the year</b>		<b>265,525,252</b>	<b>185,830,428</b>
Earning per Equity Share (Face Value Rs. 10/- Per Share ) Basic & Diluted ( in Rs.)	26	39.01	27.30
Significant Accounting Policies	1		
Additional Information	27		

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  
Dated : 16 JUL 2021



For and on behalf of the Board

*M.L. SETHIA*  
M.L. SETHIA  
Managing Director  
DIN: 00081367

*VINAY KUMAR SETHIA*  
VINAY KUMAR SETHIA  
Whole Time Director  
DIN: 00082184



*AVINASH K. KARWA*  
AVINASH KARWA  
Company Secretary  
Membership No: A20424



**ELIN ELECTRONICS LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

	Year Ended 31st March, 2021	Year Ended 31st March, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Taxation	363,816,467	244,519,808
Adjustments for :		
Depreciation, Amortisation and Impairment Expenses	228,167,639	202,701,556
Bad Debts Written Off	-	49,149,656
Provision for Doubtful Receivables	-	5,827,928
Provision for Diminution on Current Investment	(5,420,551)	4,952,328
(Profit) / Loss on Disposal of Property Plant and Equipment (Net)	(19,109)	(1,122,829)
Dividend Income from Current Investments	(1,066,261)	(3,604,302)
Interest Paid	92,770,756	113,392,363
Interest Received	(1,904,561)	(3,698,050)
(Profit) / Loss on Sale of Current Investments	(9,071,586)	(1,168,905)
Operating Profit Before Working Capital Changes	667,272,794	610,949,553
Adjustments For :		
Trade Payable	350,705,200	(196,667,856)
Other Current Liabilities	96,193,038	48,725,375
Short -Term Provisions	(1,781,167)	3,636,310
Long - Term Loans and Advances	(39,573,792)	37,373,349
Inventories	(350,929,228)	19,083,264
Trade Receivables	(905,591,635)	375,934,657
Short - Term Loans and Advances	10,139,960	(6,428,573)
Other Current Assets	76,407	397,162
Cash Generated from Operation	(173,488,423)	893,003,241
Less: Direct Taxes Paid (Net) (Including Tax Deducted at Source)	(75,055,883)	(63,542,761)
Net Cash from Operating Activities <span style="float: right;">Total (A)</span>	<b>(248,544,306)</b>	<b>829,460,480</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant and Equipment	(203,048,634)	(330,309,055)
Sale Proceeds of Property Plant and Equipment	16,093,913	7,917,034
Capital Subsidy Received	-	5,000,000
Purchase of Current & Non Current Investments	(4,999,750)	(145,300,000)
Sale Proceeds of Current & Non Current Investments	140,495,296	27,668,905
Dividend Received on Current Investment	1,066,261	3,604,302
Changes in Bank deposits under Other bank balances	(786,228)	(5,890,273)
Interest Received	1,904,561	3,698,050
Net Cash from Investing Activities <span style="float: right;">Total (B)</span>	<b>(49,274,581)</b>	<b>(433,611,037)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings (Net of Payment)	(29,072,128)	(12,785,110)
Proceeds from Short Term Borrowings (Net of Payment)	375,432,424	(207,127,073)
Interest Paid	(92,770,756)	(113,392,363)
Net Cash from Financing Activities <span style="float: right;">Total (C)</span>	<b>253,589,540</b>	<b>(333,304,546)</b>
<b>D. NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	(44,229,348)	62,544,897
Add : Cash and Cash Equivalents (Opening Balance)	90,989,180	28,444,283
Cash and Cash Equivalents (Closing Balance)	<b>46,759,832</b>	<b>90,989,180</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	13,478,158	12,314,820
Fixed deposits pledged with others	412,526	391,166

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  
Dated : 16 JUL 2021

For and on behalf of the Board

M.L.SETHIA  
Managing Director  
DIN: 00081367

VINAY KUMAR SETHIA  
Whole-time Director  
DIN: 00082184



AVINASH K. KARWA  
Company Secretary  
Membership No: A20424



**1 Significant Accounting Policies****I PRINCIPLES OF CONSOLIDATION**

The Consolidated financial statements relate to ELIN ELECTRONICS LIMITED (hereinafter referred to as the "Parent Group" or "Holding Group") and its subsidiary (these group entity and the Parent Group hereinafter collectively referred to as "the Group"). In the preparation of these consolidated financial statements, investments in Subsidiaries have been accounted for in accordance with AS 21 (Consolidated Financial Statements) referred to in Section 133 of Companies Act 2013 read with Rule 7 of Companies (Accounts) Rules, 2014. The Consolidated financial statements are prepared on the following basis -

i. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses, except where cost cannot be recovered.

ii. The results of operations of a subsidiary with which Parent – Subsidiary relationship cease to exist are included in the consolidated statement of profit and loss until the date of cessation of the relationship.

iii. All the Subsidiary Companies, the Companies, in which ELIN ELECTRONICS LTD. has an ownership of more than one half of voting power or otherwise has power to exercise control over the operations to obtain economic benefits are considered for consolidation except where the control is intended to be temporary because the subsidiary is acquired and held exclusively with a view to its subsequent disposal in the near future. Where a subsidiary is acquired and held exclusively with a view to its subsequent disposal, the investment in the subsidiary is accounted for in accordance with Accounting Standard 13 "Investments" which require that current investments should be valued at lower of cost or their fair value.

iv. The difference between the cost to the Parent Group of investment in Subsidiaries and the proportionate share in the equity of the subsidiaries as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

v. Minorities' interest in net profits, if any, of consolidated subsidiaries for the Financial Year ended March 31st, 2021 is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Parent Group. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately.

vi. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Group's stand-alone financial statements. Differences in accounting policies are disclosed separately.

vii. The Consolidated financial statements of the entities used for the purpose of consolidation are drawn up to reporting date as that of the Parent Group i.e. 31st March 2021.

viii. As per Accounting Standard Interpretation (ASI)-15 on Notes to the Consolidated financial statements, only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate consolidated financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the consolidated financial statements need not be disclosed in the consolidated financial statements.

**ix. Information of Subsidiary Companies**

The following is the list of subsidiary companies along with the proportion of voting powers held:

Name of Companies	% of shares held	Incorporated in	Country of incorporation and other particulars
Elin Appliances Private Limited	100%	India	Company was incorporated in on 21/08/2002 and having its registered office at Himachal Pradesh.
	(Subsidiary)		

**II SIGNIFICANT ACCOUNTING POLICIES****a Accounting Basis and Convention :**

The Consolidated Financial Statements have been prepared under the Historical Cost convention in accordance with the generally accepted accounting principles and to comply with the Accounting Standards referred to in Section 133 of Companies Act 2013 read with Rule 7 of Company (Accounts) Rules, 2014 to the extent applicable. The Company follows mercantile system of accounting.

**b Use of Estimates**

The preparation of the consolidated financial statements requires 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**

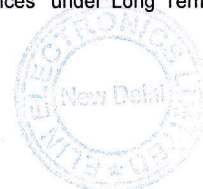
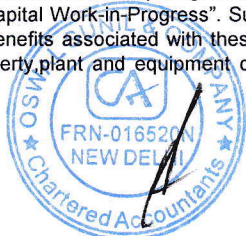
Property Plant and Equipments are stated at cost less accumulated depreciation & impairment, if any. The Company capitalizes all direct costs including taxes (Net of eligible Input Tax Credit), duties, freight and incidental expenses directly attributable to the acquisition and installation of assets 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.





NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**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 as given in Part "C" of Schedule II of Companies Act, 2013 except for assets used in manufacturing of Medical Products which are depreciated over a period of 3 years based on the management's internal assessment. 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 and software over the period of three years.

**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 consolidated financial statement, are recognized as income or expense in the Consolidated 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.

**Revenue Recognition :**

Sales is recognized on transfer of property in goods to customers. 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 Research & Development :**

Revenue Expenditure on Research & Development activities are charged to Consolidated Statement of Profit and Loss in the year in which it is incurred. Capital Expenditure on Research & Development is shown as addition to Property Plant and Equipment.

**k Retirement Benefits :**

Contribution to Provident Fund and Family Pension Fund is made monthly and debited to the Consolidated Statement of Profit and Loss . Liability in respect of gratuity payable to employees is funded through Elin Electronics Limited Employees Group Gratuity Fund under a policy scheme of Kotak Mahindra Old Mutual Life Insurance Limited, Bajaj Allianz Life Insurance Co. Ltd and Birla Sun Life Insurance Co. Ltd. The expenses is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Yearly contribution paid to the Fund is debited to Consolidated Statement of Profit and Loss. The employees of the Company can encash unavailed leave during the period of service hence yearly provision is made for unavailed leave outstanding at the close of each 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 Recognition of Grants and 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 fixed assets 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 fixed assets 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 Consolidated Statement of Profit and Loss of the period in which it is actually received.

**n Provision, Contingent Liabilities And Contingent Assets**

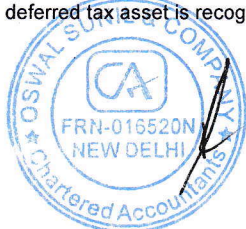
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes.

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 consolidated financial statements.

**p Tax on Income**

Provision for current tax is made after taking into consideration of benefits admissible under the provision of the Income Tax Act, 1961. Deferred tax resulting from timing difference between book and taxable profits accounted for using the tax rates and law that have been enacted as on the Consolidated Balance Sheet date. The deferred tax asset is recognised and carried forward only to the extent there is reasonable certainty that the assets will be realised in future.



**ELIN ELECTRONICS LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in ₹)

**2 SHARE CAPITAL**

**AUTHORISED**

10250000 Equity Shares of Rs.10/- each  
(P.Y.10250000 Equity Shares of Rs.10/- each)\*

As At 31st March,2021	As At 31st March,2020
--------------------------	--------------------------

102,500,000	102,500,000
-------------	-------------

<b>102,500,000</b>	<b>102,500,000</b>
--------------------	--------------------

**ISSUED, SUBSCRIBED & PAID UP**

6806700 Equity Shares of Rs.10/- each fully paid up  
(P.Y.6806700 Equity Shares of Rs.10/-each)

68,067,000	68,067,000
------------	------------

TOTAL

<b>68,067,000</b>	<b>68,067,000</b>
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**2.1 The details of shareholders holding more than 5% shares**

Name of the Shareholders	As At 31st March,2021		As At 31st March,2020	
	No. of Shares	Percentage held	No of Shares	Percentage held
1 Suman Sethia	660,000	9.70%	660,000	9.70%
2 Prem Lata Sethia	467,000	6.86%	467,000	6.86%
3 Mangilall Sethia	-	0.00%	621,650	9.13%
4 Kishor Sethia	607,488	8.92%	-	0.00%
5 Kamal Sethia	371,603	5.46%	-	0.00%
6 Gaurav Sethia	523,834	7.70%	-	0.00%

**2.2** The company has one class of shares having a face value of Rs.10/- per share. Each shareholder is eligible for one vote per share held.

**2.3 Reconciliation of Shares outstanding at the beginning and end of reporting period**

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	6,806,700	68,067,000	4,956,700	49,567,000
Add: Shares issued pursuant to scheme*	-	-	1,850,000	18,500,000
<b>Shares outstanding at the end of the year</b>	<b>6,806,700</b>	<b>68,067,000</b>	<b>6,806,700</b>	<b>68,067,000</b>

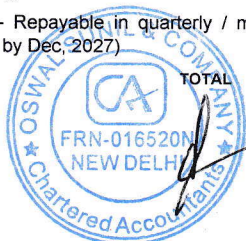
\*Refer Note 27(j)(vii)

**3 RESERVES & SURPLUS**

	As At 31st March,2021	As At 31st March,2020
<b>SECURITY PREMIUM</b>		
As per last Balance Sheet	59,554,000	59,554,000
<b>CAPITAL RESERVE ON CONSOLIDATION</b>	212,169,669	212,169,669
<b>GENERAL RESERVE</b>		
As per last Balance Sheet	503,766,537	453,766,537
Add : Transferred from Surplus in the Statement of Profit and Loss	50,000,000	50,000,000
	553,766,537	503,766,537
<b>SURPLUS IN THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS</b>		
As per last Balance Sheet	1,244,525,408	1,108,694,980
Add: Profit for the year	265,525,252	185,830,428
	1,510,050,660	1,294,525,408
<b>Less : Appropriations</b>		
Transfer to General Reserve	50,000,000	50,000,000
	1,460,050,660	1,244,525,408
<b>TOTAL</b>	<b>2,285,540,866</b>	<b>2,020,015,614</b>

**4 LONG TERM BORROWINGS**

	As At 31st March,2021	As At 31st March,20
<b>Secured</b>		
<b>Term Loans</b>		
From Banks	572,047,435	508,605,790
Less : Shown in Current Maturities of Long-Term Debt (Refer Note 7)	(199,664,658)	(107,150,885)
(Secured by way of first pari passu charge over entire movable Property Plant and Equipments of the company and immovable Property Plant and Equipment of the company by equitable mortgage of properties situated at Ghaziabad and Goa. These are further secured by second pari passu charge on entire current assets of the company and personal guarantee of the four Directors of the Company)		
(Terms of Repayment - Repayable in quarterly / monthly instalments. The amount will be fully paid by Dec, 2027)		
<b>TOTAL</b>	<b>372,382,777</b>	<b>401,454,905</b>





ELIN ELECTRONICS LIMITED  
 NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(Amount in ₹)

4.1	Particulars	Installments	Weighted Average Rate of Interest	Outstanding as at 31/03/2021	Annual Repayment Schedule		
					2021-22	2022-23	2023-24 to 2027-28
	Term Loans	Quarterly / Monthly	7.23%	572,047,435	199,664,658	145,263,092	227,119,685

5 **DEFERRED TAX ASSETS / (LIABILITIES) (NET)**

	As At 31st March,2021	As At 31st March,2020
Deferred Tax Assets / (Liabilities)	4,116,402	(7,598,836)
<b>TOTAL</b>	<b>4,116,402</b>	<b>(7,598,836)</b>

5.1 The components of Deferred Tax Assets / (Liabilities) are as under :-

	Deferred Tax Assets (Liabilities) As on 01/04/2020	Current Year Charge / (Credit)	Deferred Tax Assets (Liabilities) As on 31/03/2021
<b>Deferred Tax Assets</b>			
Disallowances of provision for Bonus & Leave Encashment	13,548,540	(720,598)	12,827,942
Provision for Doubtful Receivables	1,621,330	(154,441)	1,466,889
<b>Total (A)</b>	<b>15,169,870</b>	<b>(875,039)</b>	<b>14,294,831</b>
<b>Deferred Tax Liability</b>			
Timing Differences on account of Change in Written Down Values as per Books of accounts and as per IT Act.	(22,768,706)	12,590,277	(10,178,429)
<b>Total (B)</b>	<b>(22,768,706)</b>	<b>12,590,277</b>	<b>(10,178,429)</b>
<b>Deferred Tax Assets / (Liabilities) (net) (A-B)</b>	<b>(7,598,836)</b>	<b>11,715,238</b>	<b>4,116,402</b>

6 **SHORT-TERM BORROWINGS**

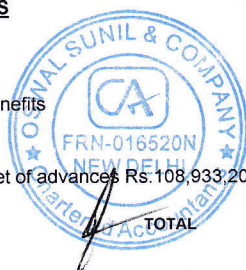
	As At 31st March,2021	As At 31st March,2020
<b>Secured</b>		
Working Capital Loan - Repayable on demand		
- From Banks	483,566,063	180,802,939
(Secured by exclusive first pari passu charge on entire stock of Raw material, Work-in-Progress, Finished Goods, Consumable Stores, Book Debts and other current assets of the company, both present and future. These loans are further secured by second pari passu charge over the entire movable Property Plant and Equipments of the company and immovable Property Plant and Equipments of the company by equitable mortgage of properties situated at Ghaziabad and Goa and personal guarantee of the four Directors of the Company)		
<b>Unsecured</b>		
Electronic Vendor Financing Scheme - Repayable on due dates agreed with Vendors		
- From Banks	82,980,900	10,311,600
<b>TOTAL</b>	<b>566,546,963</b>	<b>191,114,539</b>

7 **OTHER CURRENT LIABILITIES**

	As At 31st March,2021	As At 31st March,2020
Current Maturities of Long-Term Debts (Refer Note 4)		
- Term Loans	199,664,658	107,150,885
Advances from Customers	8,885,768	24,025,406
Statutory Liabilities Payable	32,024,033	22,600,349
Security Deposits	58,000	58,000
Liability for Expenses	63,318,835	53,923,616
<b>TOTAL</b>	<b>303,951,294</b>	<b>207,758,256</b>

8 **SHORT-TERM PROVISIONS**

	As At 31st March,2021	As At 31st March,2020
Provision For Employees Benefits		
- Bonus and Reward	36,022,943	39,854,500
- Leave Encashment	14,945,553	12,895,163
Provision for Income Tax [Net of advances Rs. 108,933,204/- (PY:Rs. 130,455,034/-)]	34,366,796	502,273
<b>TOTAL</b>	<b>85,335,292</b>	<b>53,251,936</b>



9 PROPERTY PLANT AND EQUIPMENT

Sl. No.	Particulars	Gross Block #					Depreciation				Net Block		
		As at 01/04/2020	Additions	Sales / Adjustments	Adjustment for Impairment of Assets \$	As at 31/03/2021	As at 01/04/2020	For the year	Sales / Adjustments	Adjustment for Impairment of Assets \$	As at 31/03/2021	As at 31/03/2021	As at 31/03/2020
<b>A</b>	<b>Tangible Assets</b>												
1	Leasehold Land	125,938,312	-	-	-	125,938,312	13,928,679	2,142,036	-	-	16,070,715	109,867,597	112,009,633
2	Buildings (Factory & Non Factory)	738,052,812	8,019,088	-	-	746,071,900	333,623,441	38,338,111	-	-	371,961,552	374,110,348	404,429,371
3	Plant & Machinery (including R & D Machinery)	1,369,392,781	127,599,123	18,638,069	32,232,330	1,446,121,505	722,582,347	135,347,313	13,229,495	30,900,811	813,799,354	632,322,151	646,810,434
4	Dies, Moulds & Tools	187,221,140	37,241,932	11,244,207	-	213,218,865	95,211,196	21,459,718	766,589	-	115,904,325	97,314,540	82,009,944
5	Electric Installations	153,151,164	4,885,221	63,825	372,440	157,400,120	105,139,893	12,865,999	43,769	368,219	117,393,904	40,006,216	48,011,271
6	Furniture & Fixtures	47,351,537	6,007,749	-	56,922	53,302,364	34,351,022	3,911,855	-	54,976	38,207,901	15,094,463	13,000,515
7	Office Equipments	41,997,923	8,028,530	409,270	359,560	49,257,623	34,887,327	4,828,301	388,807	340,552	38,986,289	10,271,354	7,110,596
8	Vehicles	52,446,211	4,925,135	2,769,739	883,769	53,717,838	37,479,021	5,199,840	2,621,646	883,769	39,173,446	14,544,382	14,967,190
	<b>Total A</b>	<b>2,715,551,880</b>	<b>196,506,778</b>	<b>33,125,110</b>	<b>33,905,021</b>	<b>2,845,028,527</b>	<b>1,377,202,926</b>	<b>223,893,173</b>	<b>17,050,306</b>	<b>32,548,327</b>	<b>1,551,497,466</b>	<b>1,283,531,061</b>	<b>1,338,348,954</b>
<b>B</b>	<b>Intangible Assets</b>												
1	Software	7,727,587	7,545,000	-	-	15,272,587	7,120,387	2,917,772	-	-	10,038,159	5,234,428	607,200
	<b>Total B</b>	<b>7,727,587</b>	<b>7,545,000</b>	<b>-</b>	<b>-</b>	<b>15,272,587</b>	<b>7,120,387</b>	<b>2,917,772</b>	<b>-</b>	<b>-</b>	<b>10,038,159</b>	<b>5,234,428</b>	<b>607,200</b>
	<b>Total (A+B)</b>	<b>2,723,279,467</b>	<b>204,051,778</b>	<b>33,125,110</b>	<b>33,905,021</b>	<b>2,860,301,114 (*)</b>	<b>1,384,323,313</b>	<b>226,810,945 (**)</b>	<b>17,050,306</b>	<b>32,548,327</b>	<b>1,561,535,625</b>	<b>1,288,765,489</b>	<b>1,338,956,154</b>
	Capital Work in Progress											564,024	278,689
	<b>Previous Year</b>	<b>2,426,276,614</b>	<b>330,053,769</b>	<b>33,050,916</b>	<b>-</b>	<b>2,723,279,467 (*)</b>	<b>1,202,878,468</b>	<b>202,701,556 (**)</b>	<b>21,256,711</b>	<b>-</b>	<b>1,384,323,313</b>	<b>1,338,956,154</b>	<b>1,223,398,146</b>

\* Includes ₹ 72,755,970 /- (Previous Year ₹ 76,591,294/-) Assets Used for Research and Development Purposes

\*\* Includes Depreciation ₹ 4,538,167/- (Previous Year ₹ 5,833,589/-) on Assets used for Research and Development Purposes

\$ Refer to Additional Note No. 27(h)

# For Assets charged / mortgaged as security, refer Note 4 and 6.





**ELIN ELECTRONICS LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in ₹)

**10 NON CURRENT INVESTMENTS**

	As At 31st March,2021	As At 31st March,2020
I) 20000 (P.Y. 20000) Equity shares in Shivalik Solid Waste Management Ltd. (extent of holding 0.19% (P.Y. 0.19%))	200,000	200,000
II) 10000 (P.Y. 10000) Equity shares in ELCINA Elect.Mfg.Cluster Pvt. Ltd. (extent of holding 9.08% (P.Y. 9.08%))	100,000	100,000
<b>TOTAL</b>	<b>300,000</b>	<b>300,000</b>
<b>SUB TOTAL</b>	<b>300,000</b>	<b>300,000</b>

10-1 Aggregate amount of unquoted investments Rs.300,000/-(P.Y.Rs.300,000/-)

**11 LONG TERM LOANS AND ADVANCES**

(Unsecured, considered good)

	As At 31st March,2021	As At 31st March,2020
Capital Advances	188,233,093	150,326,815
Security Deposits	18,138,850	17,759,815
<b>TOTAL</b>	<b>206,371,943</b>	<b>168,086,630</b>

**12 CURRENT INVESTMENTS**

Investments in units of Mutual Fund - Unquoted (At Cost)

	As At 31st March,2021	As At 31st March,2020
i) Nil (P.Y. 399,443) units of HDFC Arbitrage Fund - Monthly-Dividend	-	4,326,367
ii) Nil (P.Y. 82,403) units of ICICI prudential Floating Interest Fund - Growth	-	23,095,647
iii) Nil (P.Y. 435,100) units of L&T Low Duration Fund- Growth	-	8,562,031
iv) 201,296 (P.Y. 201,296) units of L&T Tax Advantage Fund - Dividend payout	5,000,000	5,000,000
v) Nil (P.Y. 5,526,363) Units of Reliance Arbitrage Fund - Monthly Dividend	-	58,739,665
vii) 159938 (P.Y. 159,721) units of HDFC Group Unit Linked Plan option B	5,506,999	5,506,999
viii) Nil (P.Y. 611) units of Nippon India Ultra Short Duration Fund- Growth Option-Growth Plan	-	1,700,000
ix) 101,937 (P.Y. 101,937) units of L & T Tax Advantage Fund - Dividend	2,500,000	2,500,000
x) 52,511 (P.Y. 52,511) units of L & T Tax Advantage Fund - Growth	2,900,000	2,900,000
xi) Nil (P.Y. 7825) units of Axis Banking & PSU DBT Fund	-	14,500,000
xii) Nil (P.Y. 165,234) units of Axis Bluechip Fund	-	5,000,000
xiii) Nil (P.Y. 114,480) units of ICICI Prudential Bluechip Fund	-	5,000,000
xiv) Nil (P.Y. 535,643) units of ICICI Prudential Ultra Short Term Fund	-	10,500,000
xv) 55,441 (P.Y. 52,941) Units of Axis Banking & Psu Debt Fund-Regular Growth	104,999,750	100,000,000
	<b>120,906,749</b>	<b>247,330,709</b>
Less : Provision for Dimunation in Current Investments	693,022	6,113,574
<b>TOTAL</b>	<b>120,213,727</b>	<b>241,217,135</b>

12-1 Aggregate amount of unquoted Investments NAV Rs. 135,607,615/- (P.Y. Rs.250,799,398/-)

**13 INVENTORIES**

(As taken valued and certified by the Management)

(Valued at cost or net realisable value, whichever is lower)

	As At 31st March,2021	As At 31st March,2020
Raw Materials & Components	772,349,380	455,553,340
Goods-in-Transit	2,399,031	9,106,230
Work- in-Progress*	267,019,224	186,933,880
Finished Goods	87,998,693	127,740,665
Stores and Spares	20,160,154	19,663,139
*[Work-in-progress includes Rs. 2,874,010/- (P.Y. Rs.10,379,092/-) being materials lying with third parties for processing]		
<b>TOTAL</b>	<b>1,149,926,482</b>	<b>798,997,254</b>



**14 TRADE RECEIVABLES**

(Unsecured, considered good)

	As At 31st March,2021	As At 31st March,2020
Outstanding for a period exceeding six months from the date they become due	7,028,692	7,125,424
Others	1,821,373,697	902,182,303
<b>TOTAL</b>	<b>1,828,402,389</b>	<b>909,307,727</b>

**15 CASH AND CASH EQUIVALENTS**Cash & Cash Equivalents

Cash on hand

Cheques, Drafts on hand

Balances with Banks in Current Accounts

(a)

Other Bank BalancesBank deposits with maturity of more than 3 months but upto 12 months \*  
(Includes Interest accrued Rs. 1,73,904/- P.Y. Rs.6,38,509/-)

Bank deposits with maturity of more than 12 months \*

(Includes Interest accrued Rs. 114,752/- P.Y. Rs.48,617/-)

Less: Non Current Portion (shown as "Other non-current assets")

\*Out of above Rs. 13,478,158/- (P.Y. Rs.12,314,820/-)

pledged with Bank as Margin and Rs. 412,526/-

(P.Y. 391,166/-) with others as security

(b)

TOTAL (a to b)

	As At 31st March,2021	As At 31st March,2020
Cash on hand	984,749	2,221,203
Cheques, Drafts on hand	4,973	194,781
Balances with Banks in Current Accounts	45,770,110	88,573,196
	46,759,832	90,989,180
Bank deposits with maturity of more than 3 months but upto 12 months *	7,051,980	13,060,914
Bank deposits with maturity of more than 12 months *	7,127,360	332,198
	14,179,340	13,393,112
Less: Non Current Portion (shown as "Other non-current assets")	7,127,360	332,198
	7,051,980	13,060,914
<b>TOTAL (a to b)</b>	<b>53,811,812</b>	<b>104,050,094</b>

**16 SHORT TERM LOANS AND ADVANCES**

(Unsecured, considered good unless otherwise stated)

Loans and Advances to Staff &amp; Workers

Indirect Taxes Receivables

Income Tax under Appeal

Commercial Taxes under Appeal

Provident Fund under Appeal

Goods and Service Tax Under Appeal

Export Incentive Receivable

MAT Credit Entitlement

Advances to Suppliers

Inter Corporate Loan (Doubtful)

Less- Provision for Doubtful Receivable (Refer Note 27 (I))

TOTAL

	As At 31st March,2021	As At 31st March,2020
Loans and Advances to Staff & Workers	9,871,465	9,244,158
Indirect Taxes Receivables	5,979,287	17,263,537
Income Tax under Appeal	2,168,079	2,168,079
Commercial Taxes under Appeal	2,051,494	1,493,364
Provident Fund under Appeal	1,166,188	1,166,188
Goods and Service Tax Under Appeal	1,681,501	637,501
Export Incentive Receivable	833,859	2,439,330
MAT Credit Entitlement	-	6,804,287
Advances to Suppliers	34,209,146	27,970,582
Inter Corporate Loan (Doubtful)	5,827,928	5,827,928
Less- Provision for Doubtful Receivable (Refer Note 27 (I))	(5,827,928)	(5,827,928)
<b>TOTAL</b>	<b>57,961,019</b>	<b>69,187,026</b>

**17 OTHER CURRENT ASSETS**

Prepaid Expenses

TOTAL

	As At 31st March,2021	As At 31st March,2020
Prepaid Expenses	68,205	144,612
<b>TOTAL</b>	<b>68,205</b>	<b>144,612</b>





18 **REVENUE FROM OPERATIONS**

		For the year ended <u>31st March,2021</u>	For the year ended <u>31st March,2020</u>
<b>Manufactured Goods</b>			
<b>Export Sales</b>			
Electric Iron		40,812,193	54,751,895
Electric Light Fittings		25,995,745	19,444,483
Other Products/ Sub assembled goods & spares		1,805,222	1,088,857
	(a)	<u>68,613,160</u>	<u>75,285,235</u>
<b>Domestic Sales</b>			
Electric Iron		606,763,304	741,202,351
Electric Light Fittings(ELF)		1,893,793,364	2,420,981,921
Bar Blender		133,902,735	81,917,655
Switch		46,835,072	42,820,585
Socket		28,402,940	31,608,836
Mixer Grinder, Juicer Mixer Grinder		836,584,878	635,611,922
Electric Toaster		17,080,252	15,723,991
Fan Regulator, Controller, Connector		11,686,916	16,305,001
Mounting Grid, Cover Frame		25,461,409	34,022,214
Hair Dryer		150,001,285	183,691,537
Hair Straightner		148,568,856	234,891,207
Sub assembled goods & spares Sales		18,505,162	19,294,946
Universal Motor/ Induction Motor/Cooler Motor/EFM		1,904,683,481	1,068,679,789
SYN Motor/ FBM/HBM/ Submersible Pump		152,108,770	133,646,245
Sheet Metal Parts		253,036,505	362,982,164
Plastic Moulded Items		721,260,278	614,690,025
LED Flash Light		345,613,302	352,289,207
Dies Tools & Moulds		73,016,799	87,740,048
Audio Products		38,290,975	39,918,484
Cartridge assy		420,949,230	42,316,284
Air Fans		49,895,782	69,702,720
Terminal Block		101,085,877	140,449,021
Other Products / Spare Parts		239,579,424	52,645,463
	(b)	<u>8,217,106,596</u>	<u>7,423,131,616</u>
<b>Sale of scrap &amp; waste / Empties</b>	(c)	<u>195,302,316</u>	<u>149,554,905</u>
<b>Sale of Traded goods</b>			
Sound Bar		116,261,132	175,395,017
Dies Tools & Moulds		4,480,722	-
Others Products and parts		6,076,665	3,253,344
	(d)	<u>126,818,519</u>	<u>178,648,361</u>
<b>Processing Charges</b>		14,758,265	25,359,130
	(e)	<u>14,758,265</u>	<u>25,359,130</u>
<b>Export Incentives</b>		1,183,637	3,858,686
	(f)	<u>1,183,637</u>	<u>3,858,686</u>
<b>TOTAL (a to f)</b>		<u>8,623,782,493</u>	<u>7,855,837,933</u>

19 **OTHER INCOME**

		For the year ended <u>31st March,2021</u>	For the year ended <u>31st March,2020</u>
Interest Income		1,904,561	3,698,050
Rental Income		360,000	360,000
Dividend on Current Investment		1,066,261	3,604,302
Net Profit / (Loss) on Sale of Current Investments		9,071,586	1,168,905
Sundry Balances Written Back		1,596,887	(613,682)
<b>TOTAL</b>		<u>13,999,295</u>	<u>8,217,575</u>



20 **COST OF MATERIALS CONSUMED**

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening Stock	473,378,594	555,493,853
Add : Purchase during the year	6,485,207,568	5,343,561,643
	<u>6,958,586,162</u>	<u>5,899,055,496</u>
Less : Closing Stock	790,410,574	473,378,594
<b>Material Consumed</b>	<b><u>6,168,175,588</u></b>	<b><u>5,425,676,902</u></b>

20.1 **Material consumed comprises of :**

CRCA/CRNGO Sheets	585,831,284	450,540,752
Universal Motor Parts	775,389,966	455,548,766
ELF / LED Components	1,014,478,309	1,538,333,552
Copper Wire	561,616,540	298,418,034
Sole Plates & Alluminium alloy	112,639,867	141,527,096
E-CU Copper Strips	28,121,617	92,969,886
Plastic Granuals	973,203,890	634,720,549
Mains Cord	146,776,869	174,322,547
Motor (JMG, MG, Bar Blender)	293,336,007	228,569,663
Battery (in set)	101,773,703	92,014,479
Cartridge assy	126,870,292	10,651,015
LED	16,646,351	17,883,936
Others*	1,431,490,892.68	1,290,176,627

\*Others includes raw materials, components and spare parts, none of which individually accounts for more than 10% of the total consumption.

<b>TOTAL</b>	<b><u>6,168,175,588</u></b>	<b><u>5,425,676,902</u></b>
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21 **CHANGES IN INVENTORIES OF FINISHED GOODS,  
WORK- IN-PROGRESS AND STOCK IN TRADE**

	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Opening Stock</b>		
Finished goods	127,740,665	92,799,766
Work- in-progress	186,933,880	166,268,078
Stock in Trade	-	52,168
	<u>314,674,545</u>	<u>259,120,012</u>
<b>Closing Stock</b>		
Finished goods	87,998,693	127,740,665
Work- in-progress	267,019,224	186,933,880
Stock in Trade	-	-
	<u>355,017,917</u>	<u>314,674,545</u>
Changes in Inventories	<b><u>(40,343,372)</u></b>	<b><u>(55,554,533)</u></b>
<b>TOTAL</b>		





**22 EMPLOYEE BENEFITS EXPENSES**

	For the year ended <u>31st March,2021</u>	For the year ended <u>31st March,2020</u>
Salaries and Incentives	990,698,014	962,893,955
Contributions to :-		
- Gratuity Fund	14,367,274	8,600,000
- Provident and other Funds	53,898,245	62,947,769
Staff Welfare Expenses	20,478,721	23,615,385
<b>TOTAL</b>	<b><u>1,079,442,254</u></b>	<b><u>1,058,057,109</u></b>

**23 FINANCE COSTS**

	For the year ended <u>31st March,2021</u>	For the year ended <u>31st March,2020</u>
Interest Expenses	92,770,756	113,392,363
Bank Charges and Other Borrowing costs	3,993,944	3,198,689
<b>TOTAL</b>	<b><u>96,764,700</u></b>	<b><u>116,591,052</u></b>

**24 RESEARCH AND DEVELOPMENT EXPENSES**

	For the year ended <u>31st March,2021</u>	For the year ended <u>31st March,2020</u>
<b>Revenue Expenditure</b>		
Salaries and Incentives	45,870,672	48,544,199
Contribution to Provident and other Funds	3,189,315	3,576,686
Staff Welfare Expenses	27,478	1,469,828
Development Charges	6,285,476	4,764,394
Power and Fuel	3,728,894	4,394,446
Travelling and Conveyance Expenses	99,817	187,022
Communication Expenses	115,428	127,445
Vehicle Running & Maintenance	739,588	850,251
(Profit) on Sale of Property Plant and Equipment	(98,618)	-
Computer Expenses	498,587	1,632,064
<b>Total Revenue Expenditure</b>	<b><u>60,456,637</u></b>	<b><u>65,546,335</u></b>
Add : - Capital Expenditure incurred during the year	-	154,200
<b>Total Research &amp; Development Expenses</b>	<b><u>60,456,637</u></b>	<b><u>65,700,535</u></b>



25	<u>OTHER EXPENSES</u>	For the year ended 31st March,2021	For the year ended 31st March,2020
	<b><u>MANUFACTURING EXPENSES</u></b>		
	Power and Fuel	142,633,234	147,587,291
	Carriage & Octroi (Inward)	25,123,586	24,667,801
	Processing Charges	176,054,168	189,586,576
	Consumable Stores	27,887,051	28,444,510
	Testing & Calibration Charges	3,793,245	3,392,165
	ISI Charges	4,442,259	5,477,465
	Repairs & Maintenance :		
	- Plant & Machinery	39,320,142	36,664,568
	- Building	25,254,848	15,896,674
	- Others	15,364,640	13,481,659
		<b>459,873,173</b>	<b>465,198,709</b>
	<b><u>SELLING AND DISTRIBUTION EXPENSES</u></b>		
	Advertisement & Sales Promotion Expenses	874,680	6,352,866
	Carriage Outwards	22,714,941	16,608,915
		<b>23,589,621</b>	<b>22,961,781</b>
	<b><u>ESTABLISHMENT EXPENSES</u></b>		
	Printing & Stationery Expenses	3,840,163	4,829,657
	Communication, Postage & Courier Expenses	2,350,377	2,639,192
	Computer Expenses	7,331,377	4,850,973
	Vehicles Running & Maintenance	14,163,368	15,627,812
	Travelling & Conveyance Expenses	18,028,030	24,870,516
	Rent Expenses	3,813,169	3,878,000
	Rates & Taxes	2,308,961	3,306,637
	Insurance Charges	10,083,421	10,040,483
	ISO Expenses	52,000	18,000
	Legal & Professional Charges	7,052,286	9,005,358
	General Expenses	3,468,265	3,634,949
	Subscription & Membership Expenses	581,302	919,921
	Donation	1,100,100	120,000
	Auditors' Remuneration -		
	Statutory Audit	775,000	775,000
	Tax Audit	300,000	300,000
	Certification & Other Fee	1,066,500	727,000
	Miscellaneous expenses	575,040	245,863
	Bad Debt written off	-	49,149,656
	Provision for Doubtful Receivable (Refer note no. 23 (I))	-	5,827,928
	Training and Development Charges	537,180	132,414
	Directors Sitting Fees	36,000	48,000
	CSR Expenses (Refer Note no. 27 (i))	6,164,731	4,535,265
	Royalty Expenses	457,529	763,151
	Net (Gain) / Loss on Exchange Rate Fluctuation	20,739	393,332
	(Profit) / Loss on Sale of Property Plant and Equipment	79,509	(1,122,829)
	Provision for Diminution on Current Investment	(5,420,551)	4,952,328
		<b>78,764,496</b>	<b>150,468,606</b>
	TOTAL	<b>562,227,290</b>	<b>638,629,096</b>

26	<u>EARNING PER SHARE (EPS)</u>	For the year ended 31st March,2021	For the year ended 31st March,2020
I	Net Profit after tax as per Consolidated Statement of Profit And Loss attributable to Equity Shareholders	265,525,252	185,830,428
II	Weighted average number of Equity Shares used as denominator for Calculating EPS	6,806,700	6,806,700
III	Basic and Diluted EPS (in Rs.)	39.01	27.30
IV	Face value per Equity Shares (in Rs.)	10.00	10.00





27 Additional Information

(a) Contingent Liabilities and Commitments (to the extent not provided for)	As at 31st March 2021	As at 31st March 2020
	₹	₹
<b>i Contingent Liabilities*</b>		
(A) Claims against the company not acknowledged as debt		
- Commercial Taxes	2,057,987	1,421,897
- Labour Case	2,806,635	2,544,271
- Provident Fund	4,664,752	4,664,752
- Goods and Service Tax	1,681,501	637,501
(B) Letter of Credit	48,752,017	8,390,783
(C) Outstanding Bank Guarantees	3,502,500	2,433,000
(D) Demand raised in Income Tax Assessments	10,840,383	10,840,383
	74,305,775	30,932,587
<b>ii Commitments</b>		
(A) Estimated amount of contracts remaining to be executed on capital account	98,374,947	24,959,875
(B) Derivative contracts	-	-
	98,374,947	24,959,875
<b>Total</b>	<b>172,680,722</b>	<b>55,892,462</b>

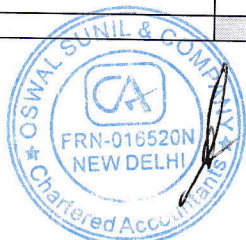
\* The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities / Statutory Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities,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

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

(b) Foreign Transactions	Year ended 31st March 2021	Year ended 31st March 2020
	₹	₹
<b>i Value of imports calculated on C.I.F basis in respect of –</b>		
A. Raw material & Components	848,525,935	862,680,353
B. Capital goods	41,682,656	85,427,202
C. Machine spares	6,198,716	4,648,264
D. Trading Goods	580,112	604,769
	896,987,419	953,360,588
<b>ii Expenditure in Foreign Currency</b>		
A. Travelling Expenses	-	2,706,316
B. Royalty Expenses	457,529	763,151
	457,529	3,469,467
<b>iii Earnings in foreign exchange</b>		
-Export of goods calculated on F.O.B. basis	68,584,498	75,239,766

(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 2021		Year ended 31st March 2020	
	Percentage	₹	Percentage	₹
<b>A. Raw Materials and Components</b>				
(I) Imported	13.60%	821,449,709	18.06%	948,818,345
(II) Indigenous	86.40%	5,217,294,754	81.94%	4,306,227,026
	100.00%	6,038,744,463	100.00%	5,255,045,371
<b>B. Stores &amp; Spares</b>				
(I) Imported	14.76%	19,103,354	13.08%	22,315,440
(II) Indigenous	85.24%	110,327,771	86.92%	148,316,091
	100.00%	129,431,125	100.00%	170,631,531
<b>C. Trading Goods</b>				
(I) Imported	0.57%	684,450	0.48%	814,370
(II) Indigenous	99.43%	118,390,135	99.52%	167,125,981
	100.00%	119,074,585	100.00%	167,940,351
<b>Total</b>		<b>6,287,250,173</b>		<b>5,593,617,253</b>





- (d) The Company has amounts remaining unpaid to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] as at 31 March 2021. The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March 2021	As at 31st March 2020
	₹	₹
Principal amount remaining unpaid to suppliers under MSMED Act, 2006	194,943,293	102,630,397
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) **Segment Information for the Year Ended 31st March 2021:**

The Company is in the business of Electric Light Fittings, LED Flash Lights, Motors, Plastic Moulded and Sheet metal parts, Dies and Moulds, Medical Cartridge Assly, Home Appliances, Automotive parts and other electronic products & 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 prescribed by the Companies (Accounting Standards) Rules, 2006

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

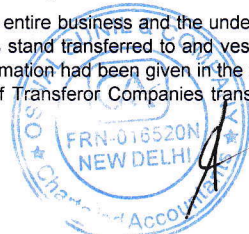
Particulars	Currency	As at 31st March 2021		As at 31st March 2020	
		Foreign	₹	Foreign	₹
Foreign Currency Receivable	USD	265,834	19,435,140	185,950	14,308,849
Foreign Currency Payable	USD	1,211,297	88,557,958	545,609	41,984,605
	CNY	-	-	40	430
		<b>1,211,297</b>	<b>88,557,958</b>	<b>545,649</b>	<b>41,985,035</b>
Net Foreign Exposure - Receivable/ (Payable)			<b>(69,122,819)</b>		<b>(27,676,186)</b>

- (h) In compliance with the Accounting Standard 28 on Impairment of Assets, the company has, given due consideration to the indications of evidence of obsolescence or physical damage of an asset, made an assessment of impairment loss. The impairment has been done for Rs. 1,356,694/- (Previous Year: Rs. Nil/-) and has been charged to Statement of Profit and Loss.
- (i) Details of expenditures incurred on Corporate Social Responsibility (CSR) activities and short fall in spending in CSR:

S. No.	Particulars	Amount spent in Current Year	Amount spent in Previous Year
1	On promotion of Education	2,458,650	2,141,035
2	On promoting health care including preventive health care and sanitation	790,000	1,764,200
3	On contribution to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	500,000	-
4	On Eradicating Hunger, Poverty And Malnutrition	1,124,722	-
5	Ensuring environmental sustainability, ecological balance, maintaining quality of soil, air & water	1,291,359	630,030
	<b>Total</b>	<b>6,164,731</b>	<b>4,535,265</b>
	Total amount to be spent on CSR activities as per the provision of section 135 of the Companies Act, 2013	5,195,373	4,944,888

(j) **Amalgamation of Asian Magnetic Devices Pvt Ltd and Rosebud Holding Pvt Ltd in Elin Electronics Limited :**

- i On 3rd Nov'2018, the Board had approved a Scheme of Amalgamation ("Scheme") for amalgamation of Asian Magnetic Devices Pvt Ltd ("ASIAN") and Rosebud Holding Pvt Ltd ("ROSEBUD") (hereinafter referred together as "Transferor Companies") with the Company Elin Electronics Limited ("EEL" or referred as "Transferee Company") in accordance with the provisions of Sections 230 – 232 read with other relevant provisions of the Companies Act, 2013.
- ii The Hon'ble National Company Law Tribunal, Kolkata Bench ("Hon'ble NCLT") approved and sanctioned the Scheme by its Order dated 26th September 2019. Certified copy of the Order of the Hon'ble NCLT was filed with the Registrar of Companies, West Bengal, on 2nd November 2019 and accordingly the Scheme became effective from the said date ("Effective Date").
- iii As provided for in the Scheme, the Authorised Share Capital of Rs.75,00,000/- of ASIAN and Rs. 2,00,00,000/- of ROSEBUD had been consolidated with the Authorised Share Capital of the Company and the Authorised Share Capital of the Company stands increased to Rs.10,25,00,000/-
- iv The amalgamation had been accounted for under the Pooling of Interest Method as prescribed in Accounting Standard (AS-14)-"Accounting for Amalgamations" notified under the Companies (Accounting Standards) Rules 2006 as amended from time to time.
- v Consequent to the Scheme becoming effective, the entire business and the undertaking of Transferor Companies together with all the assets and liabilities, duties and obligations including contingent liabilities stand transferred to and vested in the Company. The Appointed Date under the Scheme was 1st April 2018. Accordingly, accounting impact of the amalgamation had been given in the consolidated financial statements for the year ended 31st March 2019. The difference between the book value of net assets of Transferor Companies transferred to the company and the par value of equity shares allotted by the company had been charged to General Reserve.





**ELIN ELECTRONICS LIMITED**

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2021**

- vi Pursuant to the Scheme, 6,03,600 Shares held by ASIAN and 4,38,400 Shares held by ROSEBUD in the Company stand cancelled. Also, 1,00,000 shares of ASIAN held by the company out of its total shares of 400000, stands cancelled.
- vii On 22nd January 2020, the Board of Directors of the Company issued and allotted to the other shareholders of ASIAN, its shares in the ratio of 5 (five) equity shares of Rs. 10 each fully paid up of the Company for every 1 (one) equity share of ASIAN; and to all the other shareholders of ROSEBUD, its shares in the ratio of 1 (one) equity share of Rs. 10 each fully paid up of the Company for every 4 (four) Equity Shares of ROSEBUD, based on the shareholding as on the record date. In aggregate 18,50,000 equity shares of Rs. 10 each were allotted.
- (k) The COVID-19 pandemic has caused significant disturbance and slowdown of economic activity due to supply chain disruption, unavailability of personnel, closure of non-essential services on account of lockdowns, further imposing restrictions on movement of goods/material and travel. These restrictions had reduced company's operation and impacted the sales volume for the year. 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.
- (l) **In respect of Subsidiary Company**  
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 has not been made during the current year

**(m) 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:

**Key Management Personnel (Directors):**

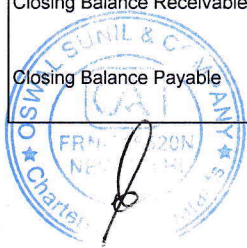
Sh. M.L. Sethia	(Chairman and Managing Director)	
Sh. Vinay Kumar Sethia	(Whole Time Director- Commercial)	
Sh. Kamal Sethia	(Whole Time Director - Marketing)	
Sh. Kishor Sethia	(Whole Time Director - Works)	
Sh. Sanjeev Sethia	(Whole Time Director - Production)	
Sh. Sumit Sethia	(Whole Time Director - Goa Works)	(Appointed w.e.f 3rd Jun'2020)
Sh. Vikas Sethia	(Director of Subsidiary Company)	(Ceased w.e.f 26th November 2020)
Sh. Sharad Sethia	(Director of Subsidiary Company)	(Ceased w.e.f 19th October 2020)
Sh. Gaurav Sethia	(Director of Subsidiary Company)	(Appointed w.e.f 18th July 2020)
Smt. Priyanka Sethia	(Director of Subsidiary Company)	(Appointed w.e.f 30th October 2020)
Sh. Pradeep Sethia	(Director of Subsidiary Company)	(Appointed w.e.f 05th December 2020)

**Enterprises over which Key Management Personnel have Significant Influence:**

Kanchan Commercial Co. Pvt. Ltd.  
Magtronic Devices Pvt. Ltd.  
Sethia Oil Industries Limited

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

Particulars	Key Management Personnel	Enterprises over which Key Management Personnel have Significant Influence	Total
	₹	₹	₹
Sales	-	9,740	9,740
	-	(20,942)	(20,942)
Purchase	-	-	-
	-	-	-
Purchase of Capital Assets	-	65,000	65,000
	-	-	-
Payment for Services	37,730,551	600,000	38,330,551
	(38,671,000)	(600,000)	(39,271,000)
Receipt for Services/ Interest/Dividend	-	360,000	360,000
	-	(360,000)	(360,000)
Closing Balance Receivable	-	-	-
	-	-	-
Closing Balance Payable	-	-	-
	-	-	-



(l) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures.

Name of the Enterprises	Relationship	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss	
		As % of total consolidated net assets	Amounts	As % of total consolidated Profit or Loss	Amounts
			(In Rs)		(In Rs)
Elin Appliances Private Limited	100.00% (Subsidiary)	23.26%	547,434,502	19.43%	51,592,166

(m) The Ministry of Corporate Affairs ("MCA") through a notification of March 24, 2021, amended Schedule III to the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

(n) For the Financial Year 2020-21, the Company has after evaluation, decided to adopt the option permitted under section 115BAA of Income Tax Act, 1961 (as introduced by the Taxation Laws (Amendment) Ordinance 2019) of the lower effective corporate tax rate of 25.17% (including surcharge and cess) instead of the earlier rate of 34.94% (including surcharge and cess). Accordingly, the company has recognized the Provision for Income Tax for the financial year ended 31st March 2021 based on the rates prescribed in the aforesaid section.

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

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

CA Sunil Bhansali  
Partner  
Membership No: 054645

Place: New Delhi

Date: 16 JUL 2021



For and on behalf of the Board

*M.L. SETHIA* *VINAY KUMAR SETHIA*

M.L.SETHIA  
Managing Director  
DIN: 00081367

VINAY KUMAR SETHIA  
Whole-time Director  
DIN: 00082184



*AVINASH K. KARWA*  
AVINASH KARWA  
Company Secretary  
Membership No: A20424