



INDEPENDENT AUDITORS' REPORT

To the Members of Elin Electronics Limited

Report on the Audit of Financial Statements

Opinion

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

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

Basis for Opinion

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

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

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

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

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

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



Management's Responsibility for the Financial Statements

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

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

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

Auditors' Responsibility for the Audit of Financial Statements

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

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

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



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 27(a) of the financial statements.
 - ii. The Company has made provision, as required under the applicable law & accounting standards for material foreseeable losses, if any and as required under the long-term contracts. The Company does not have any derivative contracts.
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

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


CA Sunil Bhansali
Partner
M. No.: 054645



Place: New Delhi
Dated: 14 JUN 2019

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT

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

- i.
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The Company has a programme for the physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No significant discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- ii.
- The inventories, except for stocks lying with certain third parties from whom confirmations have been obtained for stocks held as at the year end, have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies between the book stocks and physical stocks, which have been properly dealt with in the books of accounts, were not significant.
- iii.
- 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 complied with the provisions of section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments, etc., as provided in paragraph 3 (iv) of the Order.
- 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 sub-section (1) of 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 & services tax, Custom duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts were in arrears as at 31st March, 2019 for a period of more than six months from the date they become payable.
 - b. According to the information and explanations given to us, disputed statutory dues outstanding over six months as at 31-03-2019 aggregating to **Rs. 34,98,564/-** (Net of advance) that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Employees Provident Fund & Miscellaneous Provisions Act, 1952	Provident Fund	34,98,564	Oct 1995 – Sep 2011	High Court, Mumbai



- 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



Place: New Delhi
Dated: 14 JUN 2019

'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT

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

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

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


CA Sunil Bhansali
Partner
M. No.: 054645



Place: New Delhi
Dated: 14 JUN 2019

ELIN ELECTRONICS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2019

	Notes	As At 31st March, 2019 ₹	As At 31st March, 2018 ₹
<u>EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	2	62,877,000	62,877,000
Reserves and Surplus	3	1,398,236,183	1,250,772,304
		1,461,113,183	1,313,649,304
<u>NON-CURRENT LIABILITIES</u>			
Long-Term Borrowings	4	390,473,631	319,124,947
Deferred Tax Liabilities (Net)	5	496,529	5,480,792
		390,970,160	324,605,739
<u>CURRENT LIABILITIES</u>			
Short-Term Borrowings	6	338,818,860	275,473,581
Trade Payables			
- Micro and Small Enterprises		35,211,525	28,606,137
- Others		691,938,123	573,969,682
Other Current Liabilities	7	123,259,466	85,749,436
Short-Term Provisions	8	44,545,223	38,347,459
		1,233,773,197	1,002,146,295
TOTAL		3,085,856,540	2,640,401,338
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Property Plant and Equipments	9		
- Tangible Assets		991,227,461	843,782,741
- Intangible Assets		1,209,732	781,467
- Capital Work in Progress		4,094,495	18,990,467
Non Current Investments	10	114,793,605	114,793,605
Long-Term Loans and Advances	11	187,119,553	136,289,247
		1,298,444,846	1,114,637,527
<u>CURRENT ASSETS</u>			
Current Investments	12	7,899,043	9,001,564
Inventories	13	652,528,173	526,518,270
Trade Receivables	14	1,063,230,354	827,503,748
Cash and Cash Equivalents	15	23,670,998	108,061,300
Short-Term Loans and Advances	16	39,541,352	54,500,924
Other Current assets	17	541,774	178,005
		1,787,411,694	1,525,763,811
TOTAL		3,085,856,540	2,640,401,338
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

Bhansali
CA Sunil Bhansali
Partner
Membership No: 054645

Place : New Delhi
Dated : 14 JUN 2019



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 Karwa
AVINASH KARWA
Company Secretary

ELIN ELECTRONICS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

	Notes	For the year ended 31st March, 2019 ₹	For the year ended 31st March, 2018 ₹
INCOME			
Revenue from Operations	18	6,176,804,981	5,064,745,048
Less : Excise Duty		-	(121,498,504)
		6,176,804,981	4,943,246,544
Other Income	19	7,208,989	6,067,295
Total Revenue		6,184,013,970	4,949,313,839
EXPENSES			
Cost of Materials Consumed	20	4,290,804,946	3,263,604,104
Purchases of Stock-in-Trade		162,653,831	221,886,318
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	21	(23,202,905)	(40,025,719)
Employee Benefits Expenses	22	731,363,692	606,367,131
Finance Costs	23	109,147,252	88,700,839
Research & Development Expenses	24	66,282,514	58,863,352
Depreciation, Amortisation and Impairment Expenses	9	140,063,168	122,594,226
Other Expenses	25	524,796,611	454,994,289
Total Expenses		6,001,909,109	4,776,984,540
PROFIT BEFORE TAX		182,104,861	172,329,299
Tax Expenses			
Income Tax		40,000,000	36,800,000
Short / (Excess) Provision for Income Tax of earlier year		(374,755)	(381,762)
Deferred Tax		(4,984,263)	4,730,907
		34,640,982	41,149,145
Profit for the year		147,463,879	131,180,154
Earning per Equity Share (Face Value Rs. 10/- Per Share) Basic & Diluted (in Rs.)	26	23.45	20.86
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 14 JUN 2019
Dated :

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 Karwa
AVINASH KARWA
Company Secretary

ELIN ELECTRONICS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	182,104,861	172,329,299
Adjustments for :		
Depreciation	140,063,168	122,594,226
Provision for Diminution on Investment	302,521	105,435
(Profit) / Loss on Disposal of Property Plant and Equipments (Net)	(1,220,118)	(2,878,063)
(Gain) / Loss on Foreign Currency Transaction (Net)	(393,208)	601,069
Income from Dividend	(263,528)	(70,268)
Interest Paid	106,092,250	85,384,997
Interest Received	(2,835,034)	(1,889,388)
(Profit) / Loss on Sale of Investments	(423,456)	(1,381,119)
Operating Profit Before Working Capital Changes	423,427,456	374,796,188
Adjustments For :		
Trade Payable	124,573,829	212,607,612
Other Current Liabilities	37,510,030	29,828,700
Short -Term Provisions	4,384,738	(5,817,398)
Long - Term Loans and Advances	(50,830,306)	(2,696,752)
Inventories	(126,009,903)	(112,978,248)
Trade Receivables	(235,726,606)	(51,380,699)
Short - Term Loans and Advances	14,959,572	27,949,831
Other Current Assets	(363,769)	36,268
Cash Generated from Operation	191,925,041	472,345,502
Less: Direct Taxes Paid (Net) (Including Tax Deducted at Source)	(37,812,219)	(34,829,591)
Net Cash from Operating Activities Total (A)	154,112,822	437,515,911
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipments	(276,330,389)	(197,178,573)
Sale Proceeds of Property Plant and Equipments	4,510,326	4,682,114
Purchase of Current & Non Current Investments	(5,400,000)	(110,810,150)
Sale of Current & Non Current Investments	6,623,456	4,164,892
Dividend Received on Investment	263,528	70,268
Gain / (Loss) on Foreign Currency Transaction	393,208	(601,069)
Interest Received	2,835,034	1,889,388
Net Cash from Investing Activities Total (B)	(267,104,837)	(297,783,130)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net of Payment)	71,348,684	13,128,236
Proceeds from Short Term Borrowings (Net of Payment)	63,345,279	21,217,826
Interest Paid	(106,092,250)	(85,384,997)
Net Cash from Financing Activities Total (C)	28,601,713	(51,038,935)
D. NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(84,390,302)	88,693,846
Add : Cash and Cash Equivalents (Opening Balance)	108,061,300	19,367,454
Cash and Cash Equivalents (Closing Balance)	23,670,998	108,061,300

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	6,707,715	14,270,675
Fixed deposits pledged with others	201,284	190,287

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

CA Sunil Bhanjali
Partner
Membership No: 054645



For and on behalf of the Board

Mrs. Vinay Kumar Sethia

M.L.SETHIA
Managing Director
DIN: 00081367

VINAY KUMAR SETHIA
Whole-time Director
DIN: 00082184



Avinash Karwa
AVINASH KARWA
Company Secretary

Place : New Delhi

Dated : 14 JUN 2019

1 Significant Accounting Policies**a Accounting Basis and Convention :**

The 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 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 Equipments (PPE):**i) Tangible Assets**

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

ii) Intangible Assets

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

iii) Capital Work-in-Progress

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

d Depreciation and Amortisation :

Depreciation is charged on the basis of useful life of the Property Plant and Equipments. The company has adopted useful life as given in Part "C" of Schedule II of Companies Act, 2013 in respect of all assets. 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.

Impairment of assets:

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

i Excise Duties :

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

j Revenue Recognition :

Sales is inclusive of Excise Duty (wherever applicable) and 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.

k Research & Development :

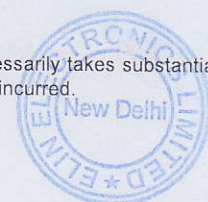
Revenue Expenditure on Research & Development activities are charged to Statement of Profit and Loss in the year in which it is incurred. Capital Expenditure on Research & Development is shown as addition to property plant and equipments.

l 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 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 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.

m 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.



n 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 property plant and equipments are adjusted in the carrying cost of such assets so that depreciation expenses are adjusted on systematic basis over the useful life of asset.

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

o Provision, Contingent Liabilities And Contingent Assets

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

Contingent liability is disclosed in case of:

- i a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- ii a present obligation arising from past events, when no reliable estimate is possible,
- iii a possible obligation arising from past events where the probability of outflow of resources is not remote. Contingent Assets are neither recognised nor disclosed in the financial statements.

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 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.

Minimum Alternative Tax (MAT) credit is recognised 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.



ELIN ELECTRONICS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in ₹)

2 **SHARE CAPITAL**

AUTHORISED

7500000 Equity Shares of Rs.10/- each
(P.Y.7500000 Equity Shares of Rs.10/- each)

ISSUED, SUBSCRIBED & PAID UP

6287700 Equity Shares of Rs.10/- each fully paid up
(P.Y.6287700 Equity Shares of Rs.10/-each)

TOTAL

	As At 31st March,2019	As At 31st March,2018
	75,000,000	75,000,000
	<u>75,000,000</u>	<u>75,000,000</u>
	62,877,000	62,877,000
	<u>62,877,000</u>	<u>62,877,000</u>

2.1 The details of shareholders holding more than 5% shares

Name of the Shareholder	As At 31st March,2019		As At 31st March,2018	
	No. of Shares	Percentage held	No of Shares	Percentage held
1 Rosebud Holding Pvt. Ltd.	438,400	6.97%	438,400	6.97%
2 CRB Corporation Ltd.	320,000	5.09%	320,000	5.09%
3 Asian Magnetic Devices Pvt. Ltd.	603,600	9.60%	603,600	9.60%
4 Mangilal Sethia	592,900	9.43%	592,900	9.43%

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 2019		As at 31st March 2018	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	6,287,700	62,877,000	6,287,700	62,877,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<u>6,287,700</u>	<u>62,877,000</u>	<u>6,287,700</u>	<u>62,877,000</u>

3 **RESERVES & SURPLUS**

SECURITY PREMIUM RESERVE ACCOUNT

As per last Balance Sheet

GENERAL RESERVE

As per last Balance Sheet

Add : Transferred from Surplus in the Statement of Profit and Loss

SURPLUS IN THE STATEMENT OF PROFIT AND LOSS

As per last Balance Sheet

Add: Profit for the year

Less : Appropriations

Transfer to General Reserve

TOTAL

	As At 31st March,2019	As At 31st March,2018
	59,554,000	59,554,000
	555,113,306	505,113,306
	50,000,000	50,000,000
	<u>605,113,306</u>	<u>555,113,306</u>
	636,104,998	554,924,844
	147,463,879	131,180,154
	50,000,000	50,000,000
	<u>733,568,877</u>	<u>636,104,998</u>
	<u>1,398,236,183</u>	<u>1,250,772,304</u>



ELIN ELECTRONICS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in ₹)

4 **LONG TERM BORROWINGS**

	As At 31st March,2019	As At 31st March,2018
<u>Secured</u>		
(i) <u>Term Loans</u>		
From Banks	429,385,144	339,832,679
Less : Shown in Current Maturities of Long-Term Debt (Refer Note 7)	(38,911,513)	(20,707,732)
(Secured by way of first pari passu charge over entire movable Property Plant and Equipments of the company, other than specific assets referred in Note no. "4(ii)" and immovable Property Plant and Equipments 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 Jan, 2024)	390,473,631	319,124,947
(ii) <u>Vehicles Loans</u>		
From Banks	-	178,981
Less : Shown in Current Maturities of Long-Term Debt (Refer Note 7)	-	(178,981)
(Secured by hypothecation of respective vehicles and personal guarantee of a director of the company)		
(Terms of Repayment - Repayable in monthly instalments. The amount has fully paid by September, 2018)	-	-
TOTAL	390,473,631	319,124,947

4.1 Particulars	Installments	Weighted Average Rate of Interest	Outstanding as at 31/03/2019	Annual Repayment Schedule		
				2019-20	2020-21	2021-22 to 2023-24
Term Loans	Quarterly / Monthly	9.22%	429,385,144	38,911,513	115,669,173	274,804,458

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

	As At 31st March,2019	As At 31st March,2018
Deferred Tax Assets / (Liabilities)	(496,529)	(5,480,792)
TOTAL	(496,529)	(5,480,792)

5 The components of Deferred Tax Assets / (Liability) are as under :-

	Deferred Tax Assets (Liability) As on 01/04/2018	Current Year Charge / (Credit)	Deferred Tax Assets (Liability) As on 31/03/2019
Deferred Tax Assets			
Disallowances of provision for Bonus, Leave Encashment & Gratuity	12,402,315	1,532,204	13,934,519
Total (A)	12,402,315	1,532,204	13,934,519
Deferred Tax Liability			
Timing Differences on account of Change in Written Down Values as per Books of accounts and as per IT Act.	(17,883,107)	3,452,059	(14,431,048)
Total (B)	(17,883,107)	3,452,059	(14,431,048)
Deferred Tax Assets / (Liabilities) (net) (A-B)	(5,480,792)	4,984,263	(496,529)



ELIN ELECTRONICS LIMITED
 NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in ₹)

6 **SHORT-TERM BORROWINGS**

Secured

Loans Repayable on demand-Working Capital Loan
 - From Banks

(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, other than specific assets referred in Note no. "4(ii)" and immovable Property Plant and Equipments of the company by equitable mortgage of properties situated at Ghaziabad and Goa.)

TOTAL

As At 31st March,2019	As At 31st March,2018
338,818,860	275,473,581
338,818,860	275,473,581

7 **OTHER CURRENT LIABILITIES**

Current Maturities of Long-Term Debts (Refer Note 4)

- Term Loans
 - Vehicle Loans
 Advances from Customers
 Statutory Liabilities Payable
 Security Deposits
 Liability for Expenses

TOTAL

As At 31st March,2019	As At 31st March,2018
38,911,513	20,707,732
-	178,981
14,808,397	17,282,823
17,429,631	8,826,339
58,000	58,000
52,051,925	38,695,561
123,259,466	85,749,436

8 **SHORT-TERM PROVISIONS**

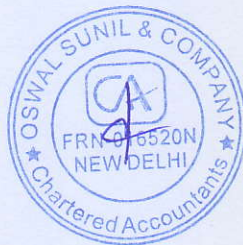
Provision For Employees Benefits

- Bonus and Reward
 - Leave Encashment

Provision for Income Tax [Net of advances Rs.121,631,489/- (PY:Rs.118,544,515/-)]

TOTAL

As At 31st March,2019	As At 31st March,2018
29,847,227	27,577,198
10,029,485	7,914,776
4,668,511	2,855,485
44,545,223	38,347,459



ELIN ELECTRONICS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in ₹)

Sl. No.	Particulars	Gross Block #					Depreciation				Net Block		
		As at 01/04/2018	Additions	Sales / Adjustments	Adjustment for Impairment of Assets \$	As at 31/03/2019	As at 01/04/2018	For the year	Sales / Adjustments	Adjustment for Impairment of Assets \$	As at 31/03/2019	As at 31/03/2019	As at 31/03/2018
A													
	Tangible Assets												
1	Leasehold Land	104,641,161	-	-	-	104,641,161	9,644,507	2,142,035	-	11,786,643	92,854,518	94,986,554	
2	Buildings (Factory & Non Factory)	447,069,250	21,560,716	-	-	468,629,966	162,400,009	26,938,327	-	189,338,336	279,291,630	284,669,241	
3	Plant & Machinery (including R & D Machinery)	868,981,673	216,564,948	30,214,875	1,834,856	1,053,496,890	498,273,329	79,031,268	27,168,476	1,503,982	548,632,139	370,708,344	
4	Dies, Moulds & Tools	82,343,121	28,879,771	333,534	2,414,636	108,474,722	58,918,987	6,766,632	298,382	2,290,716	63,095,541	23,424,134	
5	Electric Installations	110,654,590	6,188,553	557,355	157,139	116,128,649	69,180,513	11,213,325	529,487	151,847	79,712,504	41,474,077	
6	Furniture & Fixtures	30,974,664	4,111,027	-	190,935	34,894,776	22,168,547	2,739,761	-	190,037	24,718,271	8,806,137	
7	Office Equipments	24,380,962	3,980,779	256,775	-	28,104,956	18,919,299	3,755,361	243,936	-	22,430,724	5,461,653	
8	Vehicles	43,262,258	8,890,412	3,077,426	35,406	49,039,838	29,019,657	6,391,814	2,908,486	33,636	32,469,339	14,242,601	
	Total A	1,712,307,689	290,176,206	34,439,965	4,632,972	1,963,410,958	868,524,948	138,978,524	31,149,757	4,170,218	972,183,497	843,782,741	
B													
	Intangible Assets												
1	Software	6,677,432	1,050,155	-	-	7,727,587	5,895,965	621,890	-	6,517,855	1,209,732	781,467	
	Total B	6,677,432	1,050,155	-	-	7,727,587	5,895,965	621,890	-	6,517,855	1,209,732	781,467	
	Total (A+B)	1,718,985,121	291,226,361	34,439,965	4,632,972	1,971,138,545 (*)	874,420,913	139,600,414 (**)	31,149,757	4,170,218	978,701,352	844,564,208	
	Capital Work in Progress	18,990,467	4,094,495	18,990,467	-	4,094,495	-	-	-	-	4,094,495	18,990,467	
	Previous Year	1,569,070,140	178,188,106	16,389,765	11,883,360	1,716,985,121 (*)	778,295,761	122,196,691 (**)	14,585,714	11,485,825	874,420,913	790,774,379	

(*) Includes Rs. 76,591,294/- (Previous Year Rs. 67,030,145/-) Assets Used for Research and Development Purposes
(**) Includes Depreciation Rs. 5,597,255/- (Previous Year Rs. 4,821,176/-) 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 FINANCIAL STATEMENTS

(Amount in ₹)

10 NON CURRENT INVESTMENTS

	As At 31st March,2019	As At 31st March,2018
Investments in Equity Instruments - At Cost (Trade) Unquoted fully paid up In Associates :-		
I) 75,000 (P.Y. 75,000) Equity Shares in Elin Appliances Pvt. Ltd. (extent of holding 37.50% (P.Y. 37.50%))	7,500,000	7,500,000
II) 100,000 (P.Y. 100,000) Equity Shares in Asian Magnetic Devices Pvt. Ltd. (extent of holding 25% (P.Y. 25%))	107,193,605	107,193,605
SUB TOTAL	114,693,605	114,693,605
In Others :-		
I) 10,000 (P.Y. 10,000) Equity shares in ELCINA Elect.Mfg.Cluster Pvt. Ltd. (extent of holding 9.08% (P.Y. 9.08%))	100,000	100,000
SUB TOTAL	100,000	100,000
TOTAL	114,793,605	114,793,605

10-1 Aggregate amount of unquoted investments Rs.114,793,605/- (P.Y.Rs.114,793,605/-)

11 LONG TERM LOANS AND ADVANCES

	As At 31st March,2019	As At 31st March,2018
(Unsecured, considered good)		
Capital Advances	172,071,738	123,069,674
Security Deposits	15,047,815	13,219,573
TOTAL	187,119,553	136,289,247

12 CURRENT INVESTMENTS

	As At 31st March,2019	As At 31st March,2018
Investments in units of Mutual Fund - Unquoted (At Cost)		
i) 96,160 (P.Y. 95,966) units of HDFC Group Unit Linked Plan option B	2,906,999	2,906,999
ii) Nil (P.Y. 13,620) units of L&T Tax Advantage Fund Growth	-	500,000
iii) Nil (P.Y. 52,006) units of Reliance Regular Savings Fund- Balanced	-	2,600,000
iv) Nil (P.Y. 155,137) units of Reliance Reg. Savings Fund- Balanced Dividend	-	1,800,000
v) Nil (P.Y. 11,379) units of ICICI Prudential Balanced Fund - Growth	-	1,300,000
vi) 101,937 (P.Y. Nil) units of L & T Tax Advantage Fund - Dividend	2,500,000	-
vii) 52,511 (P.Y. Nil) units of L & T Tax Advantage Fund - Growth	2,900,000	-
	8,306,999	9,106,999
Less : Provision for Dimunation in Current Investments	407,956	105,435
TOTAL	7,899,043	9,001,564

12-1 Aggregate amount of unquoted Investments NAV Rs. 10,832,131/- (P.Y. Rs.12,037,721/-)

13 INVENTORIES

	As At 31st March,2019	As At 31st March,2018
(As taken valued and certified by the Management) (Valued at cost or net realisable value, whichever is lower)		
Raw Materials & Components	405,723,684	308,682,387
Goods-in-Transit	2,864,105	531,171
Work- in-Progress*	152,728,270	133,462,205
Finished Goods	70,300,434	66,360,094
Stock-in-Trade	52,168	55,668
Stores and Spares	20,859,512	17,426,745
*[Work-in-progress includes Rs. 7,924,146/- (P.Y. Rs.15,249,329/-) being materials lying with third parties for processing]		
TOTAL	652,528,173	526,518,270



ELIN ELECTRONICS LIMITED
 NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amount in ₹)

14 **TRADE RECEIVABLES**
 (Unsecured, considered good)

	As At 31st March,2019	As At 31st March,2018
Outstanding for a period exceeding six months from the date they become due	12,034,685	12,673,755
Others	1,051,195,669	814,829,993
TOTAL	1,063,230,354	827,503,748

14-1 Outstanding from Elin Appliances Private Limited as Associate Company Rs.38,125,901/- (P.Y.64,630,939/-)

15 **CASH AND CASH EQUIVALENTS**

	As At 31st March,2019	As At 31st March,2018
Cash on hand	2,163,397	1,475,097
Cheques, Drafts on hand	352,045	845,561
Balances with Banks		
- In Current Accounts	14,147,813	10,970,858
- In Fixed Deposits * (Includes Interest accrued Rs. 127,659/- P.Y. Rs.790,153/-)	7,007,743	94,769,784
* Note :		
(a) Includes FDR of Rs. 127,672/- (Previous Year Rs.87,771/-) with maturity of more than 12 months.		
(b) Out of above Rs. 6,707,715/- (P.Y. Rs.14,270,675/-) pledged with Bank as Margin and Rs. 201,284/- (P.Y. 190,287/-) with others as security		
TOTAL	23,670,998	108,061,300

16 **SHORT TERM LOANS AND ADVANCES**
 (Unsecured, considered good)

	As At 31st March,2019	As At 31st March,2018
Loans and Advances to Staff & Workers	6,940,030	7,248,798
Indirect Taxes Receivables	3,709,356	27,522,848
Commercial Taxes under Appeal	1,255,840	1,255,840
Provident Fund under Appeal	1,166,188	1,166,188
Goods and Service Tax Under Appeal	247,376	29,832
Export Incentive Receivable	627,578	419,797
Advances to Suppliers	25,594,984	16,857,621
TOTAL	39,541,352	54,500,924

17 **OTHER CURRENT ASSETS**
 Prepaid Expenses

	As At 31st March,2019	As At 31st March,2018
Prepaid Expenses	541,774	178,005
TOTAL	541,774	178,005



18 **REVENUE FROM OPERATIONS***

	For the year ended 31st March,2019	For the year ended 31st March,2018
Manufactured Goods		
Export Sales		
Sheet Metal Parts	-	645,660
LED Lights	14,397,339	21,855,498
Other Products	1,631,138	1,376,446
(a)	<u>16,028,477</u>	<u>23,877,604</u>
Domestic Sales		
Electric Light Fittings(ELF)	261,124,042	303,177,087
LED Lights	2,398,749,782	1,825,707,968
Universal Motor/ Induction Motor/Cooler Motor/EFM	1,130,389,681	782,786,473
SYN Motor/ FBM/HBM/ Submersible Pump	72,828,703	93,600,970
Sheet Metal Parts	400,584,595	315,253,922
Plastic Moulded Items	718,041,335	541,262,793
LED Flash Light	361,209,551	373,462,947
Dies Tools & Moulds	109,692,185	129,121,291
Audio Products	62,995,523	79,566,962
Terminal Block	114,083,126	93,480,476
Spare Parts	184,313,151	136,812,652
(b)	<u>5,814,011,674</u>	<u>4,674,233,541</u>
Sale of scrap & waste / Empties	<u>152,201,316</u>	<u>109,799,714</u>
(c)		
Sale of Traded goods		
Sound Bar	158,370,446	227,881,545
Plastic Granules	516,876	1,300,794
Parts of Music System	-	4,347,422
Dies Tools & Moulds	13,243,741	703,200
Wireless Micro Phone	-	1,902,550
Audio Products	-	1,361,370
Others	331,414	1,586,451
(d)	<u>172,462,477</u>	<u>239,083,332</u>
Processing Charges		
(TDS Rs. 836,757/- P.Y. Rs.482478/-)	21,193,441	16,414,643
(e)	<u>21,193,441</u>	<u>16,414,643</u>
Export Incentives	907,596	1,336,214
(f)	<u>907,596</u>	<u>1,336,214</u>
TOTAL (a to f)	<u>6,176,804,981</u>	<u>5,064,745,048</u>

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

19 **OTHER INCOME**

	For the year ended 31st March,2019	For the year ended 31st March,2018
Interest Income (TDS Rs. 169,881/- P.Y.189212/-)	2,835,034	1,889,388
Rental Income (TDS Rs.24,000/- P.Y. Rs.24,000/-)	240,000	240,000
Dividend on Current Investment	263,528	70,268
Sundry Balances Written Back	2,123,368	218,555
Net Gain on Sale of Investments	423,456	1,381,119
Profit on Sale of Property Plant and Equipments	930,395	2,869,034
Net Gain / (Loss) on Exchange Rate Fluctuation	393,208	(601,069)
TOTAL	<u>7,208,989</u>	<u>6,067,295</u>



20 **COST OF MATERIALS CONSUMED**

	For the year ended 31st March,2019	For the year ended 31st March,2018
Opening Stock	324,570,452	251,698,326
Add : Purchase during the year	4,393,666,701	3,336,476,230
	<u>4,718,237,153</u>	<u>3,588,174,556</u>
Less : Closing Stock	427,432,207	324,570,452
Material Consumed	<u>4,290,804,946</u>	<u>3,263,604,104</u>

Material consumed comprises of :

CRCA/CRNGO Sheets	470,873,547	384,453,431
Universal Motor Parts	336,786,350	204,037,431
ELF / LED Components	1,585,705,659	1,148,727,683
Copper Wire	270,759,447	220,066,131
E-CU Copper Strips	86,189,942	56,588,342
Plastic Granuals	632,819,980	487,951,315
Battery (in set)	89,509,111	88,449,068
LED	18,902,351	19,520,276
Others*	799,258,559	653,810,427

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

TOTAL	<u>4,290,804,946</u>	<u>3,263,604,104</u>
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21 **CHANGES IN INVENTORIES OF FINISHED GOODS,
WORK- IN-PROGRESS AND STOCK IN TRADE**

	For the year ended 31st March,2019	For the year ended 31st March,2018
Opening Stock		
Finished goods	66,360,094	76,949,729
Work- in-progress	133,462,205	82,443,681
Stock in Trade	55,668	458,838
	<u>199,877,967</u>	<u>159,852,248</u>
Closing Stock		
Finished goods	70,300,434	66,360,094
Work- in-progress	152,728,270	133,462,205
Stock in Trade	52,168	55,668
	<u>223,080,872</u>	<u>199,877,967</u>
Changes in Inventories	<u>(23,202,905)</u>	<u>(40,025,719)</u>
TOTAL		



22 EMPLOYEE BENEFITS EXPENSES

	For the year ended 31st March,2019	For the year ended 31st March,2018
Salaries and Incentives	670,311,322	550,345,753
Contributions to :-		
- Gratuity Fund	3,410,707	4,589,293
- Provident and other Funds	42,820,936	36,933,539
Staff Welfare Expenses	14,820,727	14,498,546
TOTAL	731,363,692	606,367,131

23 FINANCE COSTS

	For the year ended 31st March,2019	For the year ended 31st March,2018
Interest Expenses	106,092,250	85,384,997
Bank Charges and Other Borrowing costs	3,055,002	3,315,842
TOTAL	109,147,252	88,700,839

24 RESEARCH AND DEVELOPMENT EXPENSES

	For the year ended 31st March,2019	For the year ended 31st March,2018
Revenue Expenditure		
Salaries and Incentives	44,682,542	41,681,672
Contribution to Provident and other Funds	3,171,496	2,953,029
Staff Welfare Expenses	1,911,393	1,863,928
Development Charges	9,373,767	5,994,534
Power and Fuel	4,526,079	4,384,759
Travelling and Conveyance Expenses	240,130	200,712
Communication Expenses	264,788	286,355
Vehicle Running & Maintenance	947,042	857,392
(Profit) on Sale of Property Plant and Equipments	(289,723)	(9,029)
Computer Expenses	1,455,000	650,000
Total Revenue Expenditure	66,282,514	58,863,352
Add :- Capital Expenditure incurred during the year	12,231,772	5,165,533
Total Research & Development Expenses	78,514,286	64,028,885



25	<u>OTHER EXPENSES</u>	For the year ended <u>31st March,2019</u>	For the year ended <u>31st March,2018</u>
	<u>MANUFACTURING EXPENSES</u>		
	Power and Fuel	133,333,024	113,734,635
	Carriage & Octroi (Inward)	16,648,020	12,337,397
	Processing Charges	204,788,940	183,195,209
	Consumable Stores	17,727,030	18,494,958
	Repairs & Maintenance :		
	- Plant & Machinery	34,188,004	28,485,122
	- Building	14,237,763	11,288,771
	- Others	10,182,106	8,751,934
		<u>431,104,887</u>	<u>376,288,026</u>
	<u>SELLING AND DISTRIBUTION EXPENSES</u>		
	Advertisement & Sales Promotion Expenses	2,079,736	886,656
	Carriage Outwards	16,558,569	12,942,118
		<u>18,638,305</u>	<u>13,828,774</u>
	<u>ESTABLISHMENT EXPENSES</u>		
	Printing & Stationery Expenses	3,739,956	2,934,345
	Communication, Postage & Courier Expenses	2,345,051	2,696,986
	Computer Expenses	4,210,104	4,795,308
	Vehicles Running & Maintenance	15,231,277	12,686,209
	Travelling & Conveyance Expenses	15,504,292	14,800,819
	Rent Expenses	3,979,782	5,213,480
	Rates & Taxes	3,238,902	1,418,379
	Insurance Charges	4,220,546	3,502,810
	Legal & Professional Charges	6,088,794	4,500,533
	General Expenses	1,264,180	1,107,893
	Subscription & Membership Expenses	799,874	1,185,709
	Donation	606,000	1,733,500
	Auditors' Remuneration -		
	Statutory Audit	475,000	415,000
	Tax Audit	250,000	225,000
	Certification & Other Fee	522,500	614,000
	Miscellaneous expenses	412,404	252,307
	Bad Debt written off	6,797,750	218,313
	Training and Development Charges	584,186	605,432
	Directors Sitting Fees	42,480	47,200
	CSR Expenses (Refer Note no. 27 (i))	4,437,820	5,818,831
	Provision for Diminution on Investment	302,521	105,435
		<u>75,053,419</u>	<u>64,877,489</u>
	TOTAL	<u>524,796,611</u>	<u>454,994,289</u>

26	<u>EARNING PER SHARE (EPS)</u>	For the year ended <u>31st March,2019</u>	For the year ended <u>31st March,2018</u>
I	Net Profit after tax as per Statement of Profit And Loss attributable to Equity Shareholders	147,463,879	131,180,154
II	Weighted average number of Equity Shares used as denominator for calculating EPS	6,287,700	6,287,700
III	Basic and Diluted EPS (in Rs.)	23.45	20.86
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 2019	As at 31st March 2018
	₹	₹
i Contingent Liabilities*		
(A) Claims against the company not acknowledged as debt		
- Commercial Taxes	1,184,373	1,184,373
- Labour Case	2,314,135	2,036,591
- Provident Fund	4,664,752	4,664,752
- Goods and Service Tax	247,376	29,832
(B) Letter of Credit	29,914,616	13,480,146
(C) Outstanding Bank Guarantees	2,433,000	6,298,000
(D) Bouns Liability for F.Y. 2014-15 #	5,828,157	7,284,605
	46,586,409	34,978,299
ii Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account	41,831,744	36,359,654
(B) Derivative contracts	-	-
	41,831,744	36,359,654
Total	88,418,153	71,337,953

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

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

(b) Foreign Transactions	Year ended 31st March 2019	Year ended 31st March 2018
	₹	₹
i Value of imports calculated on C.I.F basis in respect of –		
A. Raw material & Components	895,104,739	670,709,504
B. Capital goods	107,329,962	76,700,789
C. Machine spares	5,802,808	4,190,000
D. Trading Goods	6,865,564	6,527,392
	1,015,103,072	758,127,685
ii Expenditure in foreign currency on Foreign Travelling	1,685,423	1,582,786
iii Earnings in foreign exchange		
-Export of goods calculated on F.O.B. basis	16,053,965	23,537,107

Particular	Year ended 31st March 2019		Year ended 31st March 2018	
	Percentage	₹	Percentage	₹
A. Raw Materials and Components				
(I) Imported	19.74%	812,791,257	21.00%	656,104,254
(II) Indigenous	80.26%	3,304,905,194	79.00%	2,467,689,962
	100.00%	4,117,696,451	100.00%	3,123,794,216
B. Stores & Spares				
(I) Imported	14.00%	24,235,881	10.76%	15,037,288
(II) Indigenous	86.00%	148,872,614	89.24%	124,772,600
	100.00%	173,108,495	100.00%	139,809,888
C. Trading Goods				
(I) Imported	4.59%	7,470,535	3.45%	7,661,912
(II) Indigenous	95.41%	155,183,296	96.55%	214,627,576
	100.00%	162,653,831	100.00%	222,289,488
Total		4,453,458,777		3,485,893,592



NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

- (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 2019. The disclosure pursuant to the said Act is as under:

Particulars	As at 31st March 2019	As at 31st March 2018
	₹	₹
Principal amount remaining unpaid to suppliers under MSMED Act, 2006	35,211,525	28,606,137
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

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

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

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

The Company is in the business of 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 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 2019		As at 31st March 2018	
		Foreign	₹	Foreign	₹
Foreign Currency Receivable	USD	9,377	659,015	6,489	416,075
Foreign Currency Payable	USD	799,660	56,224,101	660,111	43,950,170
Net Foreign Exposure - Receivable/ (Payable)			(55,565,086)		(43,534,095)

- (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. 462,754/- (Previous Year: Rs. 397,535/-) 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 promoting education	240,000	3,600,000
2	On promoting health care including preventive health care and sanitation	4,197,820	1,408,020
3	Ensuring environmental sustainability, ecological balance, maintaining quality of soil, air & water	-	810,811
	Total	4,437,820	5,818,831
Total amount to be spent on CSR activities as per the provision of section 135 of the Companies Act, 2013		3,848,204	3,534,250

(j) **Proposed Amalgamation with Asian Magnetic Devices Pvt Ltd and Rosebud Holding Pvt Ltd.**

The Board of Directors of Elin Electronics Limited ("EEL") in their meeting held on 3rd Nov/2018 have approved the scheme of amalgamation (the "Scheme") which provides for the amalgamation of Asian Magnetic Devices Pvt Ltd ("ASIAN") and Rosebud Holding Pvt Ltd ("ROSEBUD") with Elin Electronics Limited ("EEL"), under sections 230 and 232 read with other applicable provisions of the Companies Act, 2013. The Appointed date of the Scheme is April 1, 2018.

The Board of Directors of EEL have recommended to issue 5 (Five) fully paid up Equity Shares of Rs. 10 each of EEL for every 1(One) fully paid Equity Shares of Rs. 10 each of ASIAN and 1 (One) fully paid up Equity Shares of Rs. 10 each of EEL for every 4 (Four) fully paid Equity Shares of Rs. 10 each of ROSEBUD.

The Company has already filed the scheme with National Company Law Tribunal Kolkata Bench, Kolkata. The merger would be effective only once the order is received from Honorable National Company Law Tribunal Kolkata Bench, Kolkata and filed with the Registrar of Companies ("ROC").



NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

(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:

Associates

Elin Appliances Pvt. Ltd.
Asian Magnetic Devices Pvt Ltd. (w.e.f. 25th October 2017)

Key Management Personnel (Directors):

Sh. M.L. Sethia (Chairman and Managing Director)
Sh. B.S. Sethia (Whole Time Director - Technical) (Ceased w.e.f 16th March 2018)
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)

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	Associates	Key Management Personnel	Enterprises over which Key Management Personnel have Significant Influence	Total
	₹	₹	₹	₹
Loan Received / Paid Back	30,000,000 -	- -	- -	30,000,000 -
Sales	441,285,921 (377,108,331)	- -	37,083 (40,511)	441,323,004 (377,148,842)
Purchase	4,920,028 (346,054)	- -	- -	4,920,028 (346,054)
Payment for Services	2,950,356 (2,210,700)	23,577,000 (20,279,640)	600,000 (600,000)	27,127,356 (23,090,340)
Purchase of Capital Assets	5,313,131 -	- -	- -	5,313,131 -
Receipt for Services/ Interest/Dividend	- -	- -	283,200 (240,000)	283,200 (240,000)
Closing Balance Receivable	31,141,159 (64,620,310)	- -	- (3,368)	31,141,159 (64,623,678)
Closing Balance Payable	- -	- -	- -	- -

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

As per our report of even date attached

For Oswal Sunil & Company

Chartered Accountants

Firm Registration Number: 016520N

CA Sunil Bhandari
Partner

Membership No: 054645

Place: New Delhi

Date: 14 JUN 2019



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 Karwa
AVINASH KARWA
Company Secretary