

**INDEPENDENT AUDITORS' REPORT****To the Members of Elin Electronics Limited****Report on the Audit of Standalone Financial Statements****Opinion**

We have audited the Standalone Financial Statements of **M/s Elin Electronics Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the standalone 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 standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

- a. We draw attention to Note 27(j) of the standalone financial statements which describes the scheme of amalgamation ("the scheme") becoming effective on 2nd November 2019, the appointed date being 1st April 2018. We further refer to note 27(m) of the standalone financial statements which states that pursuant to the scheme, the audited standalone financial statement of the previous year ended 31st March 2019, issued on 14th June 2019, have been restated to give effect of the scheme.
- b. We draw attention to Note 27(k) of the standalone 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.

Information Other than the Standalone 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 Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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 Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 Standalone 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone 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 Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position as referred in Note 27(a) of the Standalone Financial Statements.
 - ii. The Company has made provision, as required under the applicable law & accounting standards for material foreseeable losses, if any and as required under the long-term contracts. The Company does not have any derivative contracts.
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

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


CA Sunil Bhansali
Partner
M. No.: 054645
UDIN: 20054645AAAAAZ2558



Place: New Delhi
Dated: 16/09/2020

'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT

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


- i.
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment (fixed assets).
 - b. The Company has a programme for the physical verification of Property Plant and Equipment (fixed assets) at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No significant discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- ii. The inventories, except for stocks lying with certain third parties from whom confirmations have been obtained for stocks held as at the year end, have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies between the book stocks and physical stocks, which have been properly dealt with in the books of accounts, were not significant.
- iii. 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, 2020 for a period of more than six months from the date they become payable.
 - b. According to the information and explanations given to us, disputed statutory dues outstanding over six months as at 31-03-2020 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 Standalone Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares/debentures during the year and hence the reporting on compliance of section 42 of the Companies Act, 2013 under provisions of paragraph 3 (xiv) of the Order are not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order are not applicable.

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



CA Sunil Bhansali
Partner
M. No.: 054645
UDIN: 20054645AAAAAZ2558

Place: New Delhi
Dated: 16/09/2020

'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have audited the internal financial controls over financial reporting of **Elin Electronics Limited** ('the Company') as of 31st March, 2020 in conjunction with our audit of the Standalone 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 Standalone 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 Standalone 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 Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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


CA Sunil Bhansali
Partner



M. No.: 054645
UDIN: 20054645AAAAAZ2558

Place: New Delhi
Dated: 16/09/2020

ELIN ELECTRONICS LIMITED
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

	Notes	As At 31st March, 2020 ₹	As At 31st March, 2019 ₹
<u>EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDERS' FUNDS</u>			
Share Capital	2	70,957,000	52,457,000
Share pending allotment pursuant to scheme	27 (j)	-	18,500,000
Reserves and Surplus	3	1,558,620,457	1,428,169,998
		<u>1,629,577,457</u>	<u>1,499,126,998</u>
<u>NON-CURRENT LIABILITIES</u>			
Long-Term Borrowings	4	390,238,659	390,473,631
Deferred Tax Liabilities (Net)	5	7,539,359	496,529
		<u>397,778,018</u>	<u>390,970,160</u>
<u>CURRENT LIABILITIES</u>			
Short-Term Borrowings	6	164,750,843	338,818,860
Trade Payables			
- Micro and Small Enterprises		85,111,506	35,211,525
- Others		465,853,207	691,938,123
Other Current Liabilities	7	168,553,211	123,339,818
Short-Term Provisions	8	42,474,236	44,543,332
		<u>926,743,003</u>	<u>1,233,851,658</u>
TOTAL		<u>2,954,098,478</u>	<u>3,123,948,816</u>
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
Property Plant and Equipments	9		
- Tangible Assets		1,127,157,310	991,227,461
- Intangible Assets		607,200	1,209,732
- Capital Work in Progress		278,689	4,094,495
Non Current Investments	10	20,100,000	20,600,000
Long-Term Loans and Advances	11	149,752,204	187,125,553
		<u>1,297,895,403</u>	<u>1,204,257,241</u>
<u>CURRENT ASSETS</u>			
Current Investments	12	136,917,135	122,869,463
Inventories	13	664,265,011	652,528,173
Trade Receivables	14	755,808,083	1,063,605,354
Cash and Cash Equivalents	15	38,567,727	31,992,910
Short-Term Loans and Advances	16	60,500,507	48,153,901
Other Current assets	17	144,612	541,774
		<u>1,656,203,075</u>	<u>1,919,691,575</u>
TOTAL		<u>2,954,098,478</u>	<u>3,123,948,816</u>
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 SEP 2020

For and on behalf of the Board

M.L.SETHIA
Managing Director
DIN: 00081367

VINAY KUMAR SETHIA
Whole Time Director
DIN: 00082184

AVINASH KARWA
Company Secretary
Membership No: A20424

ELIN ELECTRONICS LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Notes	For the year ended 31st March, 2020 ₹	For the year ended 31st March, 2019 ₹
INCOME			
Revenue from Operations	18	6,114,608,056	6,176,804,981
Other Income	19	9,158,243	6,991,021
Total Revenue		6,123,766,299	6,183,796,002
EXPENSES			
Cost of Materials Consumed	20	4,100,722,179	4,290,804,946
Purchases of Stock-in-Trade		165,706,108	162,653,831
Changes in Inventories of Finished goods, Work-in-Progress and Stock-in-Trade	21	(55,217,500)	(23,202,905)
Employee Benefits Expenses	22	835,944,834	731,363,692
Finance Costs	23	103,961,554	109,047,274
Depreciation, Amortisation and Impairment Expenses	9	175,146,180	140,063,168
Research & Development Expenses	24	65,546,335	66,282,514
Other Expenses	25	561,277,963	520,777,243
Total Expenses		5,953,087,653	5,997,789,763
PROFIT BEFORE TAX		170,678,646	186,006,239
Tax Expenses			
Income Tax		33,400,000	40,457,307
Short / (Excess) Provision for Income Tax of earlier year		(214,643)	(420,650)
Deferred Tax		7,042,830	(4,984,263)
		<u>40,228,187</u>	<u>35,052,394</u>
PROFIT FOR THE YEAR		130,450,459	150,953,845
Earning per Equity Share (Face Value Rs. 10/- Per Share) Basic & Diluted (in Rs.)	26	18.38	21.27
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

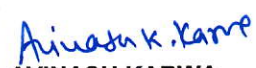


Place : New Delhi
Dated : 16 SEP 2020

For and on behalf of the Board



M.L. SETHIA **VINAY KUMAR SETHIA**
Managing Director Whole Time Director
DIN: 00081367 DIN: 00082184




AVINASH KARWA
Company Secretary
Membership No: A20424

ELIN ELECTRONICS LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Year Ended 31st March, 2020	Year Ended 31st March, 2019
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Taxation	170,678,646	186,006,239
Adjustments for :		
Depreciation	175,146,180	140,063,168
Bad Debts Written Off	49,149,656	7,066,863
Provision for Diminution on Investment	4,952,328	(1,615,023)
(Profit) / Loss on Disposal of Property Plant and Equipments (Net)	(1,225,325)	(1,220,118)
Dividend Income from Current Investments	(3,569,302)	(4,530,989)
Interest Paid	100,971,162	106,108,323
Interest Received	(2,841,118)	(4,373,175)
(Profit) / Loss on Sale of Current Investments	(1,162,498)	3,073,882
Operating Profit Before Working Capital Changes	492,099,729	430,579,170
Adjustments For :		
Trade Payable	(176,184,935)	124,573,829
Other Current Liabilities	45,213,393	37,320,685
Short -Term Provisions	2,597,524	4,384,738
Long - Term Loans and Advances	37,373,349	(50,830,306)
Inventories	(11,736,838)	(126,009,903)
Trade Receivables	258,647,615	(242,782,258)
Short - Term Loans and Advances	(6,628,366)	51,563,998
Other Current Assets	397,162	(221,847)
Cash Generated from Operation	641,778,633	228,578,106
Less: Direct Taxes Paid (Net) (Including Tax Deducted at Source)	(43,570,217)	(41,954,981)
Net Cash from Operating Activities Total (A)	598,208,416	186,623,125
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property Plant and Equipments	(310,577,371)	(276,330,389)
Sale Proceeds of Property Plant and Equipments	5,145,005	4,510,326
Purchase of Current & Non Current Investments	(45,000,000)	(43,749,844)
Sale Proceeds of Current & Non Current Investments	27,662,498	6,623,456
Dividend Received on Investment	3,569,302	4,530,989
Interest Received	2,841,118	4,373,175
Net Cash from Investing Activities Total (B)	(316,359,448)	(300,042,287)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net of Payment)	(234,972)	71,348,684
Proceeds from Short Term Borrowings (Net of Payment)	(174,068,017)	63,345,279
Interest Paid	(100,971,162)	(106,108,323)
Net Cash from Financing Activities Total (C)	(275,274,151)	28,585,640
D. NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	6,574,817	(84,833,522)
Add : Cash and Cash Equivalents (Opening Balance)	31,992,910	108,061,300
Add: Adjustment on account of Amalgamation as per Scheme	-	8,765,132
Cash and Cash Equivalents (Closing Balance)	38,567,727	31,992,910

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	12,314,820	6,707,715
Fixed deposits pledged with others	241,166	205,939

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

CA Sunil Bhansali
Partner
Membership No: 054645



For and on behalf of the Board

M.L. SETHIA
Managing Director
DIN: 00081367

VINAY KUMAR SETHIA
Whole-time Director
DIN: 00082184

Mus... Vinay Kumar Sethia



AVINASH KARWA
Company Secretary
Membership No: A20424

Place : New Delhi
Dated : 16 SEP 2020

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

The Standalone 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 Standalone 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 Standalone financial statement, are recognized as income or expense in the Statement of Profit and Loss.

h Impairment of assets:

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

j 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.

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 Standalone 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 STANDALONE FINANCIAL STATEMENTS

(Amount in ₹)

2 SHARE CAPITAL

	As At 31st March,2020	As At 31st March,2019
AUTHORISED		
10250000 Equity Shares of Rs.10/- each (P.Y.10250000 Equity Shares of Rs.10/- each)*	102,500,000	102,500,000
	102,500,000	102,500,000
ISSUED, SUBSCRIBED & PAID UP		
7095700 Equity Shares of Rs.10/- each fully paid up (P.Y.5245700 Equity Shares of Rs.10/-each)	70,957,000	52,457,000
TOTAL	70,957,000	52,457,000

* Refer Note No 27 (j)(iii)

2.1 The details of shareholders holding more than 5% shares

Name of the Shareholder	As At 31st March,2020		As At 31st March,2019	
	No. of Shares	Percentage held	No of Shares #	Percentage held #
1 Suman Sethia	660,000	9.30%	660,000	9.30%
2 Mangilal Sethia	621,650	8.76%	621,650	8.76%
3 Prem Lata Sethia	467,000	6.58%	467,000	6.58%

No. of Shares and Percentage is based on Share Capital including "Shares pending for Allotment" pursuant to scheme

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 2020		As at 31st March 2019	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,245,700	52,457,000	6,287,700	62,877,000
Add: Shares issued pursuant to scheme*	1,850,000	18,500,000	-	-
Less: Shares eliminated pursuant to scheme*	-	-	1,042,000	10,420,000
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	7,095,700	70,957,000	5,245,700	52,457,000

*Refer Note 27 (j)(vi)

3 RESERVES & SURPLUS

	As At 31st March,2020	As At 31st March,2019
SECURITY PREMIUM RESERVE ACCOUNT		
As per last Balance Sheet	59,554,000	59,554,000
GENERAL RESERVE		
As per last Balance Sheet	468,213,716	555,113,306
Add : Reserve Pursuant to Scheme*	-	691,000
Less: Squared-off on cancellation of Share Capital pursuant to Scheme*	-	(137,590,590)
Add : Transferred from Surplus in the Statement of Profit and Loss	50,000,000	50,000,000
	518,213,716	468,213,716
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
As per last Balance Sheet	900,402,282	636,104,998
Add : Reserve Pursuant to Scheme*	-	163,343,439
Add : Profit for the year	130,450,459	150,953,845
<u>Less : Appropriations</u>		
Transfer to General Reserve	50,000,000	50,000,000
	980,852,741	900,402,282
TOTAL	1,558,620,457	1,428,169,998

* Refer Note 27 (j)



ELIN ELECTRONICS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in ₹)

4 LONG TERM BORROWINGS

Secured
Term Loans

From Banks

Less : Shown in Current Maturities of Long-Term Debt (Refer Note 7)

(Secured by way of first pari passu charge over 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. 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 Mar, 2025)

	As At 31st March,2020	As At 31st March,2019
	484,831,026	429,385,144
	(94,592,367)	(38,911,513)
TOTAL	390,238,659	390,473,631

4.1 Particulars	Installments	Weighted Average Rate of Interest	Outstanding as at 31/03/2020	Annual Repayment Schedule		
				2020-21	2021-22	2022-23 to 2024-25
Term Loans	Quarterly / Monthly	7.61%	484,831,026	94,592,367	166,607,583	223,631,076

5 DEFERRED TAX LIABILITIES (NET)

	As At 31st March,2020	As At 31st March,2019
Deferred Tax Liabilities	7,539,359	496,529
TOTAL	7,539,359	496,529

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

	Deferred Tax Assets (Liability) As on 01/04/2019	Current Year Charge / (Credit)	Deferred Tax Assets (Liability) As on 31/03/2020
Deferred Tax Assets			
Disallowances of provision for Bonus & Leave Encashment	13,934,519	(3,244,603)	10,689,916
Total (A)	13,934,519	(3,244,603)	10,689,916
Deferred Tax Liability			
Timing Differences on account of Change in Written Down Values as per Books of accounts and as per IT Act.	(14,431,048)	(3,798,227)	(18,229,275)
Total (B)	(14,431,048)	(3,798,227)	(18,229,275)
Deferred Tax Assets / (Liabilities) (net) (A-B)	(496,529)	(7,042,830)	(7,539,359)



ELIN ELECTRONICS LIMITED
 NOTES FORMING PART OF STANDALONE 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 and immovable Property Plant and Equipments of the company by equitable mortgage of properties situated at Ghaziabad and Goa.)

	As At 31st March,2020	As At 31st March,2019
	164,750,843	338,818,860
TOTAL	164,750,843	338,818,860

7 OTHER CURRENT LIABILITIES

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

- Term Loans

Advances from Customers

Statutory Liabilities Payable

Security Deposits

Liability for Expenses

TOTAL

	As At 31st March,2020	As At 31st March,2019
	94,592,367	38,911,513
	20,680,303	14,808,397
	9,859,632	17,435,631
	58,000	58,000
	43,362,909	52,126,277
TOTAL	168,553,211	123,339,818

8 SHORT-TERM PROVISIONS

Provision For Employees Benefits

- Bonus and Reward

- Leave Encashment

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

TOTAL

	As At 31st March,2020	As At 31st March,2019
	32,229,137	29,847,227
	10,245,099	10,029,485
	-	4,666,620
TOTAL	42,474,236	44,543,332



9 PROPERTY, PLANT AND EQUIPMENTS

Sl. No.	Particulars	Gross Block #				Depreciation				Net Block		
		As at 01/04/2019	Additions	Sales / Adjustments	Adjustment for Impairment of Assets \$	As at 31/03/2020	For the year	Sales / Adjustments	Adjustment for Impairment of Assets \$	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
A	Tangible Assets											
1	Leasehold Land	104,641,161	-	-	-	104,641,161	2,142,036	-	-	13,929,679	90,712,462	92,854,516
2	Buildings (Factory & Non Factory)	468,629,966	50,356,972	-	-	518,986,938	27,174,611	-	-	216,512,947	302,473,991	279,291,630
3	Plant & Machinery (including R & D Machinery)	1,053,496,890	193,952,892	18,398,401	-	1,228,051,381	109,692,666	16,328,343	-	641,996,462	587,054,919	504,864,751
4	Dies, Moulds & Tools	108,474,722	36,719,169	1,735,369	-	145,458,522	11,322,610	145,065	-	74,273,068	71,185,436	45,379,181
5	Electric Installations	116,128,649	19,646,790	403,195	-	135,372,244	11,274,710	383,035	-	90,604,179	44,768,065	36,416,145
6	Furniture & Fixtures	34,894,776	4,717,947	336,141	-	39,276,562	3,217,708	318,334	-	27,616,645	11,659,937	10,176,505
7	Office Equipments	28,104,956	3,869,776	365,939	-	31,608,783	4,063,704	347,642	-	26,146,786	5,462,007	5,674,232
8	Vehicles	49,039,838	3,129,631	2,334,153	-	49,835,316	5,655,603	2,130,099	-	35,994,843	13,840,473	16,570,499
	Total A	1,963,410,958	314,393,177	23,573,198	-	2,254,230,937	174,543,648	19,653,518	-	1,127,073,627	1,127,157,310	891,227,461
B	Intangible Assets											
1	Software	7,727,587	-	-	-	7,727,587	602,532	-	-	7,120,387	607,200	1,209,732
	Total B	7,727,587	-	-	-	7,727,587	602,532	-	-	7,120,387	607,200	1,209,732
	Total (A+B)	1,971,138,545	314,393,177	23,573,198	-	2,261,958,524 (*)	175,146,180 (**)	19,653,518	-	1,134,194,014	1,127,764,510	892,437,193
	Capital Work in Progress	-	-	-	-	-	-	-	-	-	278,689	4,094,495
	Previous Year	1,718,985,121	291,226,361	34,439,965	4,632,972	1,971,138,545 (*)	139,600,414 (**)	31,149,757	4,170,218	978,701,352	992,437,193	844,564,208

* Includes ₹ 76,745,494 /- (Previous Year ₹ 76,591,294/-) Assets Used for Research and Development Purposes
 ** Includes Depreciation ₹ 5,833,589/- (Previous Year ₹ 5,597,255/-) on Assets used for Research and Development Purposes
 \$ Refer to Additional Note No. 27(In)
 # For Assets charged / mortgaged as security, refer Note 4 and 6.



ELIN ELECTRONICS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in ₹)

10 NON CURRENT INVESTMENTS

	As At 31st March,2020	As At 31st March,2019
Investments in Equity Instruments - At Cost (Trade) Unquoted fully paid up In Subsidiary :-		
l) 2,00,000 (P.Y. 2,00,000) Equity Shares in Elin Appliances Pvt. Ltd. (extent of holding 100.00% (P.Y. 100.00%))	20,000,000	20,000,000
In Others :-		
l) 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	20,100,000	20,100,000
l) Life Insurance Corporation of India	-	500,000
SUB TOTAL	-	500,000
TOTAL	20,100,000	20,600,000

10-1 Aggregate amount of unquoted investments Rs.2,01,00,000/-(P.Y.Rs.2,06,00,000/-)

11 LONG TERM LOANS AND ADVANCES

	As At 31st March,2020	As At 31st March,2019
(Unsecured, considered good)		
Capital Advances	133,097,389	172,071,738
Security Deposits	16,654,815	15,053,815
TOTAL	149,752,204	187,125,553

12 CURRENT INVESTMENTS

	As At 31st March,2020	As At 31st March,2019
Investments in units of Mutual Fund - Unquoted (At Cost)		
i) 399,443 (P.Y. 399,443) units of HDFC Arbitrage Fund - Monthly-Dividend	4,326,367	4,326,367
ii) 82,403 (P.Y. 47,737) units of ICICI prudential Floating Interest Fund - Growth	23,095,647	13,095,647
iii) 435,100 (P.Y. 435,100) units of L&T Low Duration Fund- Growth	8,562,031	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) 5,526,363 (P.Y. 5,526,363) Units of Reliance Arbitrage Fund - Monthly Dividend	58,739,665	58,739,665
vi) Nil (P.Y. 304,335) Units of Reliance Balance Advantage Fund - Growth Plan Growth Option	-	26,000,000
vii) 96,347 (P.Y. 96,160) units of HDFC Group Unit Linked Plan option B	2,906,999	2,906,999
viii) 101,937 (P.Y. 101,937) units of L & T Tax Advantage Fund - Dividend	2,500,000	2,500,000
ix) 52,511 (P.Y. 52,511) units of L & T Tax Advantage Fund - Growth	2,900,000	2,900,000
x) 7,825 (P.Y. Nil) units of Axis Banking & PSU DBT Fund	14,500,000	-
xi) 165,234 (P.Y. Nil) units of Axis Bluechip Fund	5,000,000	-
xii) 114,480 (P.Y. Nil) units of ICICI Prudential Bluechip Fund	5,000,000	-
xiii) 535,643 (P.Y. Nil) units of ICICI Prudential Ultra Short Term Fund	10,500,000	-
	143,030,709	124,030,709
Less : Provision for Dimunation in Current Investments	6,113,574	1,161,246
TOTAL	136,917,135	122,869,463

12-1 Aggregate amount of unquoted Investments NAV Rs. 143,770,986/- (P.Y. Rs.127,832,337/-)

13 INVENTORIES

	As At 31st March,2020	As At 31st March,2019
(As taken valued and certified by the Management) (Valued at cost or net realisable value, whichever is lower)		
Raw Materials & Components	359,013,158	405,723,684
Goods-in-Transit	7,290,342	2,864,105
Work- in-Progress*	169,643,258	152,728,270
Finished Goods	108,655,114	70,300,434
Stock-in-Trade	-	52,168
Stores and Spares	19,663,139	20,859,512
*[Work-in-progress includes Rs. 9,787,775/- (P.Y. Rs.7,924,146/-) being materials lying with third parties for processing]		
TOTAL	664,265,011	652,528,173



ELIN ELECTRONICS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in ₹)

14	<u>TRADE RECEIVABLES</u> (Unsecured, considered good)		
		As At 31st March,2020	As At 31st March,2019
	Outstanding for a period exceeding six months from the date they become due	7,076,358	12,409,685
	Others	748,731,725	1,051,195,669
	TOTAL	755,808,083	1,063,605,354
14-1	Outstanding from Elin Appliances Private Limited as Subsidiary Company Rs.74,487,311/- (P.Y.38,125,901/-)		
15	<u>CASH AND CASH EQUIVALENTS</u>		
		As At 31st March,2020	As At 31st March,2019
	Cash on hand	2,112,729	2,236,304
	Cheques, Drafts on hand	50,000	1,852,045
	Balances with Banks		
	- In Current Accounts	23,206,833	20,582,681
	- In Fixed Deposits * (Includes Interest accrued Rs. 642,179/- P.Y. Rs.133,226/-)	13,198,165	7,321,880
	* Note :		
	(a) Includes FDR of Rs. 133,191/-(Previous Year Rs. 33,180/-) with maturity of more than 12 months.		
	(b) Out of above Rs. 12,314,820/- (P.Y. Rs.6,707,715/-) pledged with Bank as Margin and Rs. 241,166/- (P.Y. 205,939/-) with others as security		
	TOTAL	38,567,727	31,992,910
16	<u>SHORT TERM LOANS AND ADVANCES</u> (Unsecured, considered good)		
		As At 31st March,2020	As At 31st March,2019
	Loans and Advances to Staff & Workers	7,728,060	15,552,579
	Direct Tax Receivables [Net of Provision Rs.110,657,307/- (PY: Nil)]	5,718,240	-
	Indirect Taxes Receivables	15,748,713	3,709,356
	Commercial Taxes under Appeal	1,493,364	1,255,840
	Provident Fund under Appeal	1,166,188	1,166,188
	Goods and Service Tax Under Appeal	637,501	247,376
	Export Incentive Receivable	879,027	627,578
	Advances to Suppliers	27,129,414	25,594,984
	TOTAL	60,500,507	48,153,901
17	<u>OTHER CURRENT ASSETS</u>		
	Prepaid Expenses	144,612	541,774
	TOTAL	144,612	541,774



18 **REVENUE FROM OPERATIONS**

	For the year ended 31st March,2020	For the year ended 31st March,2019
Manufactured Goods		
Export Sales		
LED Lights	19,444,483	14,397,339
Other Products	1,076,707	1,631,138
	20,521,190	16,028,477
Domestic Sales		
Electric Light Fittings(ELF)	90,852,085	261,124,042
LED Lights	2,308,379,900	2,398,749,782
Universal Motor/ Induction Motor/Cooler Motor/EFM	1,265,822,928	1,130,389,681
SYN Motor/ FBM/HBM/ Submersible Pump	133,646,245	72,828,703
Sheet Metal Parts	387,437,760	400,584,595
Plastic Moulded Items	614,720,368	718,041,335
LED Flash Light	352,289,207	361,209,551
Dies Tools & Moulds	88,761,366	109,692,185
Audio Products	39,918,484	62,995,523
Cartridge assy	42,316,284	-
Air Fans	69,702,720	-
Terminal Block	140,449,021	114,083,126
Other Product / Spare Parts	212,211,263	184,313,151
	5,746,507,631	5,814,011,674
Sale of scrap & waste / Empties	146,764,509	152,201,316
Sale of Traded goods		
Sound Bar	175,395,017	158,370,446
Dies Tools & Moulds	-	13,243,741
Others	833,097	848,290
	176,228,114	172,462,477
Processing Charges	23,455,085	21,193,441
Export Incentives	1,131,527	907,596
TOTAL (a to f)	6,114,608,056	6,176,804,981

19 **OTHER INCOME**

	For the year ended 31st March,2020	For the year ended 31st March,2019
Interest Income	2,841,118	4,363,519
Rental Income	360,000	240,000
Dividend on Current Investment	3,569,302	4,530,989
Net Profit / (Loss) on Sale of Current Investments	1,162,498	(3,073,882)
Profit on Sale of Property Plant and Equipments	1,225,325	930,395
TOTAL	9,158,243	6,991,021

20 **COST OF MATERIALS CONSUMED**

	For the year ended 31st March,2020	For the year ended 31st March,2019
Opening Stock	427,432,207	324,570,452
Add : Purchase during the year	4,050,128,384	4,393,666,701
	4,477,560,591	4,718,237,153
Less : Closing Stock	376,838,412	427,432,207
Material Consumed	4,100,722,179	4,290,804,946



ELIN ELECTRONICS LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in ₹)

20.1	Material consumed comprises of :		
	CRCA/CRNGO Sheets	450,540,752	470,873,547
	Universal Motor Parts	455,548,766	336,786,350
	ELF / LED Components	1,538,333,552	1,585,705,659
	Copper Wire	298,418,034	270,759,447
	E-CU Copper Strips	92,969,886	86,189,942
	Plastic Granuals	523,364,373	632,819,980
	Battery (in set)	92,014,479	89,509,111
	LED	17,883,936	18,902,351
	Others*	631,648,401	799,258,559
	*Others includes raw materials, components and spare parts, none of which individually accounts for more than 10% of the total consumption.		
	TOTAL	4,100,722,179	4,290,804,946
21	<u>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK- IN-PROGRESS AND STOCK IN TRADE</u>		
		For the year ended 31st March,2020	For the year ended 31st March,2019
	Opening 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
		223,080,872	199,877,967
	Closing Stock		
	Finished goods	108,655,114	70,300,434
	Work- in-progress	169,643,258	152,728,270
	Stock in Trade	-	52,168
		278,298,372	223,080,872
	Changes in Inventories	(55,217,500)	(23,202,905)
	TOTAL		
22	<u>EMPLOYEE BENEFITS EXPENSES</u>		
		For the year ended 31st March,2020	For the year ended 31st March,2019
	Salaries and Incentives	766,331,170	670,311,322
	Contributions to :-		
	- Gratuity Fund	5,500,000	3,410,707
	- Provident and other Funds	48,417,405	42,820,936
	Staff Welfare Expenses	15,696,259	14,820,727
	TOTAL	835,944,834	731,363,692
23	<u>FINANCE COSTS</u>		
		For the year ended 31st March,2020	For the year ended 31st March,2019
	Interest Expenses	100,971,162	105,989,967
	Bank Charges and Other Borrowing costs	2,990,392	3,057,307
	TOTAL	103,961,554	109,047,274
24	<u>RESEARCH AND DEVELOPMENT EXPENSES</u>		
		For the year ended 31st March,2020	For the year ended 31st March,2019
	Revenue Expenditure		
	Salaries and Incentives	48,544,199	44,682,542
	Contribution to Provident and other Funds	3,576,686	3,171,496
	Staff Welfare Expenses	1,469,828	1,911,393
	Development Charges	4,764,394	9,373,767
	Power and Fuel	4,394,446	4,526,079
	Travelling and Conveyance Expenses	187,022	240,130
	Communication Expenses	127,445	264,788
	Vehicle Running & Maintenance	850,251	947,042
	(Profit) on Sale of Property Plant and Equipments	-	(289,723)
	Computer Expenses	1,632,064	1,455,000
	Total Revenue Expenditure	65,546,335	66,282,514
	Add :- Capital Expenditure incurred during the year	154,200	12,231,772
	Total Research & Development Expenses	65,700,535	78,514,286

25	<u>OTHER EXPENSES</u>	For the year ended <u>31st March,2020</u>	For the year ended <u>31st March,2019</u>
	<u>MANUFACTURING EXPENSES</u>		
	Power and Fuel	133,378,735	133,333,024
	Carriage & Octroi (Inward)	21,990,934	16,648,020
	Processing Charges	174,392,365	204,788,940
	Consumable Stores	24,952,777	17,727,030
	Testing & Calibration	2,012,070	-
	Repairs & Maintenance :		
	- Plant & Machinery	33,039,116	34,188,004
	- Building	11,760,095	14,237,763
	- Others	10,087,835	10,182,106
		<u>411,613,927</u>	<u>431,104,887</u>
	<u>SELLING AND DISTRIBUTION EXPENSES</u>		
	Advertisement & Sales Promotion Expenses	5,834,924	2,079,736
	Carriage Outwards	14,546,869	16,558,569
		<u>20,381,793</u>	<u>18,638,305</u>
	<u>ESTABLISHMENT EXPENSES</u>		
	Printing & Stationery Expenses	4,122,365	3,740,036
	Communication, Postage & Courier Expenses	2,021,187	2,345,051
	Computer Expenses	4,443,667	4,210,104
	Vehicles Running & Maintenance	13,817,241	15,231,277
	Travelling & Conveyance Expenses	17,144,560	15,504,292
	Rent Expenses	5,454,000	3,979,782
	Rates & Taxes	2,939,380	3,293,592
	Insurance Charges	8,026,543	4,182,963
	Legal & Professional Charges	8,303,313	6,169,404
	General Expenses	1,622,025	1,264,180
	Subscription & Membership Expenses	521,616	799,874
	Donation	120,000	606,000
	Auditors' Remuneration -		
	Statutory Audit	475,000	555,240
	Tax Audit	250,000	250,000
	Certification & Other Fee	483,500	522,500
	Miscellaneous expenses	245,863	412,406
	Bad Debt written off	49,149,656	7,066,863
	Training and Development Charges	132,414	584,186
	Directors Sitting Fees	48,000	42,480
	CSR Expenses (Refer Note no. 27 (i))	2,911,065	4,437,820
	Royalty Expenses	763,151	-
	Sundry Balances Written Back	613,682	(2,155,768)
	Net (Gain) / Loss on Exchange Rate Fluctuation	721,687	(393,208)
	Provision for Diminution on Current Investment	4,952,328	(1,615,023)
		<u>129,282,243</u>	<u>71,034,051</u>
	TOTAL	<u>561,277,963</u>	<u>520,777,243</u>

26	<u>EARNING PER SHARE (EPS)</u>	For the year ended <u>31st March,2020</u>	For the year ended <u>31st March,2019</u>
I	Net Profit after tax as per Statement of Profit And Loss attributable to Equity Shareholders	130,450,459	150,953,845
	Weighted average number of Equity Shares used		
II	as denominator for Calculating EPS *	7,095,700	7,095,700
III	Basic and Diluted EPS (in Rs.)	18.38	21.27
IV	Face value per Equity Shares (in Rs.)	10.00	10.00

* While calculating the EPS of previous year, equity shares issued subsequent to the year end as consideration for the amalgamation as referred to Note No. 27(j) have been included in the calculation of Weighted average number of equity shares.



27 Additional Information

(a) Contingent Liabilities and Commitments (to the extent not provided for)	As at 31st March 2020	As at 31st March 2019
	₹	₹
i Contingent Liabilities*		
(A) Claims against the company not acknowledged as debt		
- Commercial Taxes	1,421,897	1,184,373
- Labour Case	2,544,271	2,314,135
- Provident Fund	4,664,752	4,664,752
- Goods and Service Tax	637,501	247,376
(B) Letter of Credit	8,390,783	29,914,616
(C) Outstanding Bank Guarantees	2,433,000	2,433,000
	20,092,204	40,758,252
ii Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account	20,609,575	41,831,744
(B) Derivative contracts	-	-
	20,609,575	41,831,744
Total	40,701,779	82,589,996

* 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 Standalone financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

(b) Foreign Transactions	Year ended 31st March 2020	Year ended 31st March 2019
	₹	₹
i Value of imports calculated on C.I.F basis in respect of –		
A. Raw material & Components	664,210,040	895,104,739
B. Capital goods	80,774,504	107,329,962
C. Machine spares	4,648,264	5,802,808
D. Trading Goods	-	6,865,564
	749,632,808	1,015,103,072
ii Expenditure in Foreign Currency		
A. Travelling Expenses	2,448,556	1,685,423
B. Royalty Expenses	763,151	-
	3,211,707	1,685,423
iii Earnings in foreign exchange		
-Export of goods calculated on F.O.B. basis	20,493,694	16,053,965

(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 2020		Year ended 31st March 2019	
	Percentage	₹	Percentage	₹
A. Raw Materials and Components				
(I) Imported	18.13%	713,872,777	19.74%	812,791,257
(II) Indigenous	81.87%	3,223,631,855	80.26%	3,304,905,194
	100.00%	3,937,504,632	100.00%	4,117,696,451
B. Stores & Spares				
(I) Imported	13.67%	22,315,440	14.00%	24,235,881
(II) Indigenous	86.33%	140,902,107	86.00%	148,872,614
	100.00%	163,217,547	100.00%	173,108,495
C. Trading Goods				
(I) Imported	0.00%	-	4.59%	7,470,535
(II) Indigenous	100.00%	165,758,276	95.41%	155,186,796
	100.00%	165,758,276	100.00%	162,657,331
Total		4,266,480,455		4,453,462,277

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

Particulars	As at 31st March 2020	As at 31st March 2019
	₹	₹
Principal amount remaining unpaid to suppliers under MSMED Act, 2006	85,111,506	35,211,525
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 2020:**
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 2020		As at 31st March 2019	
		Foreign	₹	Foreign	₹
Foreign Currency Receivable	USD	98,379	7,570,245	9,377	659,015
Foreign Currency Payable	USD	469,114	36,098,292	799,660	56,224,101
	CNY	40	430		
Net Foreign Exposure - Receivable/ (Payable)			(28,528,477)		(55,565,086)

- (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. Nil (Previous Year: Rs. 462,754/-) 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	2,141,035	240,000
2	On promoting health care including preventive health care and sanitation	140,000	4,197,820
3	On ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining quality of soil, air and water	630,030	-
	Total	2,911,065	4,437,820
Total amount to be spent on CSR activities as per the provision of section 135 of the Companies Act, 2013		3,558,527	3,848,204

- (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 have 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 has 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 is 1st April 2018. Accordingly, accounting impact of the amalgamation has been given in the standalone 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 has been charged to General Reserve.

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. These 18,50,000 shares have been shown as "Equity Share Capital Pending Allotment" in restated Balance sheet as on 31 March 2019.

- (k) In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down which has caused significant disturbance and slowdown of economic activity due to supply chain disruption, unavailability of personnel, closure of non-essential services for long or indefinite period of time. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these Standalone 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 Standalone 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 Standalone financial statements may differ from that estimated as at the date of approval of these Standalone 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.



(i) 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:

Subsidiary Company :

Elin Appliances Pvt. Ltd.

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)

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	Subsidiary Company	Key Management Personnel	Enterprises over which Key Management Personnel have Significant Influence	Total
	₹	₹	₹	₹
Loan Given	- (7,500,000)	- -	- -	- (7,500,000)
Loan Received Back	- (37,500,000)	- -	- -	- (37,500,000)
Sales	384,110,066 (369,619,934)	- -	20,942 (33,110)	384,131,008 (369,653,044)
Purchase	1,466,441 (4,167,171)	- -	- -	1,466,441 (4,167,171)
Payment for Services	3,840,000 (2,400,000)	23,577,000 (23,577,000)	600,000 (600,000)	28,017,000 (26,577,000)
Purchase of Capital Assets	- (4,502,653)	- -	- -	- (4,502,653)
Receipt for Services/ Interest/Dividend	- (4,43,836)	- -	360,000 (240,000)	360,000 (683,836)
Closing Balance Receivable	73,402,716 (31,141,159)	- -	- -	73,402,716 (31,141,159)
Closing Balance Payable	- -	- -	- -	- -

- (m) The Company had previously issued its Standalone financial statements for the previous year ended March 31, 2019 as on Jun 14, 2019. On Scheme of Amalgamation becoming effective during the Current year as described in note 27(j) of the Standalone financial statements, after the issuance of Standalone financial statements for the previous year, the comparative numbers for the previous year ended March 31, 2019 have been restated after incorporating the Standalone financial statements of the erstwhile transferor companies according to the Scheme of Amalgamation.

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

CA Sunil Bhansali
Partner
Membership No: 054645

Place: New Delhi
Date: 18 SEP 2020



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

