

Citizen Yarns Limited

Notes: Forming Part of the Financial Statement as at 31st March, 2018

Note:-1

I. CORPORATE INFORMATION

M/s. Positive Electronics Limited is a public limited company incorporated under the provisions of Companies Act, 1956 and having its registered office at Kolkata in the state of West Bengal.

II. STATEMENT OF COMPLIANCE :

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind ASs issued, notified and made effective till the financial statements are authorized have been considered for the purpose of preparation of these financial statements.

These are the Company's first Ind AS Standalone Financial Statements and the date of transition to Ind AS as required has been considered to be April 1, 2016.

The financial statement up to the year ended March 31, 2017, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company. Previous period figures in the Financial Statements have been re-casted/restated to make it comparable with current year's figure.

In accordance with Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), the Company does not have any transition effect between Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at March 31, 2017, and April 1, 2016 and also the Net Profit as per Previous GAAP and those arrived at including Other Comprehensive Income under Ind AS for the year ended March 31, 2017.

III. SIGNIFICANT ACCOUNTING POLICIES :

1. BASIS OF ACCOUNTING:

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period and investment in one of its subsidiary which as on the date of transition have been fair valued to be considered as deemed cost.

2. PLANT, PROPERTY & EQUIPMENT

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and adjustment for exchange difference wherever applicable and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. For major projects and capital installations, interest and other costs incurred on / related to borrowings to finance such projects or fixed assets during construction period and related pre-operative expenses are capitalized.

3. REVENUE RECOGNITION

Revenue from sale of goods rendered is recognised upon passage of title.

4. TAXATION OF INCOME

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier year.



5. Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earnings per Share is calculated by adjustment of all the effects of dilutive potential equity shares from the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period.

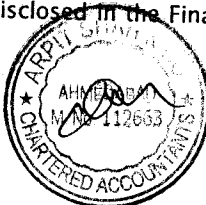
6. INVENTORIES

Inventories are valued at lower of cost or net realisable value.

Costs for the purpose of Raw materials, stores and spares and consumables comprise of the respective purchase costs including non-reimbursable duties and taxes. Cost for carriage, clearing and forwarding are included in

7. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made. Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.



Citizen Yarns Limited

Notes: Forming Part of the Provisional Financial Statement as at 31st March, 2018

Note : 2 Long Term Loans and Advances

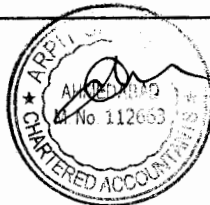
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
		Rs	Rs
	(Unsecured, considered good) Advance Income Tax (including TDS)	-	450,000.00
	Total	-	450,000.00

Note : 3 Trade Receivable

Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
		Rs	Rs
	Trade receivables outstanding for a period less than six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	-	-
	Doubtful	-	-
	Trade receivables outstanding for a period more than six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	1,400,000.00	1,400,000.00
	Doubtful	-	-
	Total	1,400,000.00	1,400,000.00

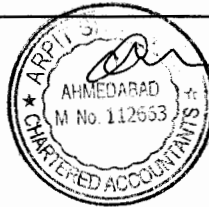
Note : 4 Cash and Cash Equivalents

Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
		Rs	Rs
1	Cash on Hand (As certified by Management)	326,942.00	6,943.00
2	Balances with Bank in current accounts	3,608.00	321,887.00
	Total	330,550.00	328,829.00



5 Other Current Assets

No	Particulars	As at 31.03.2018	As at 31.03.20
		Rs	Rs
	Miscellaneous Expenses		
	Opening Balance	-	2,013,491.
	Add: Expenses during the year	-	
	Less: Expenses written off	-	(2,013,491.)
		-	
	TDS Receivable		
	TDS Receivable 16-17	5,400.00	5,400.
	TDS Receivable 17-18	1,873.00	
		7,273.00	5,400.
	Total	7,273.00	5,400.



Citizen Yarns Limited

Forming Part of the Provisional Financial Statement as at 31st March, 2018

6 Share Capital

Sl. No	Particulars	As at 31.03.2018		As at 31.03.2017	
		No of Shares	Amount in Rs	No of Shares	Amount in Rs
a)	AUTHORISED CAPITAL Equity Shares of Rs. 5/- each.	80,00,000	40,000,000.00	8,000,000	40,000,000.00
		80,00,000	40,000,000.00	8,000,000	40,000,000.00
b)	ISSUED, SUBSCRIBED & FULLY PAID UP Equity Shares of Rs 5/- Each, Fully paid up				
	Balance at the beginning of the year	6,298,400	31,492,000.00	6,298,400	31,492,000.00
	Balance at the end of the year	6,298,400	31,492,000.00	6,298,400	31,492,000.00
	Total	6,298,400	31,492,000.00	6,298,400	31,492,000.00

Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares having a par Value of Rs 10 per share. Each Shareholder is eligible for one vote per share held. All Shares have equal rights in respect of distribution of dividend and repayment of capital. No shares have any restrictions in respect of distribution of dividend and repayment of capital.

Shares reserved for issued

No Equity Shares have been reserved for issue under option and contracts/commitments for sale of shares/disinvestment as at Balance Sheet date.



Citizen Yarns Limited

Notes: Forming Part of the Provisional Financial Statement as at 31st March, 2018

Note : 7 Reserve & Surplus

Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
		Rs	Rs
1	Surplus in Statement of Profit & Loss		
	Balance at the beginning of the year	(32,004,698.00)	(7,448.00)
	Add: Profit for the year	(173,494.00)	(32,230,993.00)
	Balance at the end of the year	(32,178,192.00)	(32,238,441.00)
		-	233,743.00
	Total	(32,178,192.00)	(32,004,698.00)

Note : 8 Long Term Borrowings

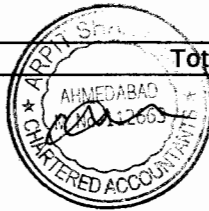
Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
		Rs	Rs
	Secured loans (Secured against Building & Machineries)		
	Unsecured Loans	724,000.00	230,000.00
	Total	724,000.00	230,000.00

Note : 9 Trade Payables

Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
		Rs	Rs
	For Expenses	1,667,303.00	2,434,216.00
	Total	1,667,303.00	2,434,216.00

Note : 10 Short Term Provision

Sr. No	Particulars	As at 31.03.2018	As at 31.03.2017
		Rs	Rs
1	Other Payables Provision for Income Tax (Net)	32,712.00	32,712.00
	Total	32,712.00	32,712.00



Revenue from operations

in Rs.

Particulars	For The Year Ended March 31, 2018	For The Year Ended March 31, 2017
Sale of products	724,000.00	12,665,573.00
TOTAL	724,000.00	12,665,573.00

12 Other Income

in Rs.

Particulars	For The Year Ended March 31, 2018	For The Year Ended March 31, 2017
Interest Income	18,750.00	54,000.00
TOTAL	18,750.00	54,000.00

13 Purchase of Stock in Trade

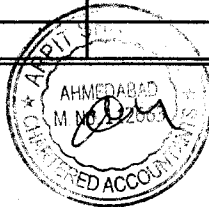
in Rs.

Particulars	For The Year Ended March 31, 2018	For The Year Ended March 31, 2017
Purchases During the Year	537,077.00	13,683,440.00
TOTAL	537,077.00	13,683,440.00

14 Employee Benefit Expenses

in Rs.

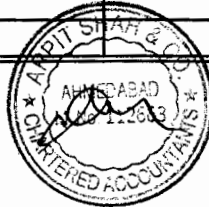
Particulars	For The Year Ended March 31, 2018	For The Year Ended March 31, 2017
Salaries, Wages and Bonus	120,000.00	450,000.00
TOTAL	120,000.00	450,000.00



Other Expenses

in Rs.

Particulars	For The Year Ended March 31 , 2018	For The Year Ended March 31, 2017
Bank Charges	2,921.00	2,338.00
BSE Expenses	25,000.00	-
CDSL Expenses	11,651.00	13,581.00
CS Salary	25,000.00	52,000.00
Current Investment written Off	-	28,224,000.00
Miscellaneous Expenses	34,800.00	56,110.00
NSDL Expenses	13,674.00	8,588.00
Pre operative Expenses written off	-	2,013,491.00
Rent Expenses	60,000.00	72,000.00
Share Registry Expenses	18,421.00	81,017.00
Stock Exchange Expenses	-	260,500.00
Vakil Fees	50,000.00	-
Website Expenses	-	3,500.00
Auditor's Remuneration		
Audit Fees	17,700.00	30,000.00
TOTAL	259,167.00	30,817,125.00



Citizen Yarns Limited

Notes Forming Part of the Financial Statement as at 31st March, 2018

Note : 16 Earning Per Equity Share (EPS)

	Particulars	As at 31.03.2018	As at 31.03.2017
		Amount in Rs	Amount in Rs
1	Basic EPS		
	a. Net Profit /(Loss) after Tax	(173,494.00) (32,230,993.00)	(32,230,993.00) 73,153.00
	b. Paid up Equity Capital (Rs. 10 each)	31,492,000.00 (31,492,000.00)	31,492,000.00 (32,000,000.00)
	c. Basic EPS (a*10/b)	(0.06) (10.23)	(10.23) 0.00
2	Diluted EPS		
	a. Net Profit /(Loss) after Tax per Accounts	(173,494.00) (32,230,993.00)	(32,230,993.00) 73,153.00
	b. Paid up Equity Capital (Rs. 10 each)	31,492,000.00 (31,492,000.00)	31,492,000.00 (32,000,000.00)
	c. Diluted EPS (a*10/b)	(0.06) (10.23)	(10.23) 0.00

Note : 17

Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

Signature to Note No. 1 to 17

Significant Accounting Policies and other accompanying Notes (1 to 17) form an integral part of the Financial Statements As per our report of even date

For Arpit Shah & Co.
Chartered Accountants
Firm Reg. No. 12300

Arpit T. Shah
(Arpit T. Shah)
Proprietor
Place :- Ahmedabad
Date :- 28/05/18



Hariparasad Khetan

Hariparasad Khetan
Director
DIN - 01228538

Rajubhai Desai

Rajubhai Desai
Director
DIN - 03148402



Statement of Changes in Equity for the year ended 31st March, 2018

Equity Share Capital

Particulars	In Rs lakh
Balance as at April 1, 2016	314.92
Changes during the year	-
Balance as at March 31, 2017	314.92
Changes during the year	-
Balance as at March 31, 2018	314.92

(ii) Other Equity
As at March 31, 2018

Particulars	Reserves & Surplus				Items of Other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Total
	Capital Reserve	Central State Subsidy	General Reserve	Retained Earnings	Remeasurements of the Defined Benefit Plans		
Balance as at March 31, 2017	-	-	-32,004,698	-	-	-	-32,004,698
Total comprehensive income for the year	-	-	-	-173,494	-	-	-173,494
Transferred from Retained earnings to General Reserve	-	-	-	-	-	-	-
Transfer to Retained earning on disposal of Equity Instruments	-	-	-	-	-	-	-
Interim Dividend including tax thereon	-	-	-	-	-	-	-
Balance as at March 31, 2018	-	-	-32,004,698	-173,494	-	-	-32,178,192

As at March 31, 2017

Balance as at April 1, 2016	-	-	-7,448	-	-	-	-
Total comprehensive income for the year	-	-	-	-32,230,993	-	-	-32,230,993
Transferred from Retained earnings to General Reserve	-	-	-	233,742	-	-	233,742
Transfer to Retained earning on disposal of Equity Instruments	-	-	-	-	-	-	-
Final Dividend including tax thereon	-	-	-	-	-	-	-
Interim Dividend including tax thereon	-	-	-	-	-	-	-
Balance as at March 31, 2017	-	-	-7,448	-31,997,251	-	-	-32,004,699

Significant Accounting Policies and other accompanying Notes (1 to 17) form an integral part of the Financial Statements As per our report of even date

For Arpit Shah & Co.
Chartered Accountants
Firm Reg. No. 123004

Arpit T. Shah
(Arpit T. Shah)
Proprietor
Place :- Ahmedabad
Date :-



Hari

Hariparasad Khetan
Director
DIN - 01228538

Rajubhai

Rajubhai Desai
Director
DIN - 03148402



Citizen Yarns Limited
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2018

	For the year ended March 31, 2018	For the year ended March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	-173,494	-32,230,993
Add : Depreciation and amortisation expenses	-	-
Transfer to General Reserve	-	233,743
Bad debts	-	-
Miscellaneous Expenses (Amortized)	-	2,013,491
Impairment Allowances for doubtful debts	-	-
Loss on Sale of Investment	-	28,224,000
Finance Cost	-	30,471,234
	-173,494	-1,759,759
Less: Interest Income	-	-
Dividend Income from Investments	-	-
Net gain/(loss) on sale of Current Investments	-	-
Net gain/(loss) on Fair Valuation of current investments	-	-
Net gain/(loss) on Foreign Exchange fluctuation and translation	-	-
Provisions / Liabilities no longer required written back	-	-
Profit/(Loss) on sale / discard of Fixed Assets (Net)	-	-
Operating Profit before Working Capital changes	-173,494	-1,759,759
Less: Increase/(Decrease) in Inventories	-	-
Increase/(Decrease) in Trade Receivables	-	3,357,213
Increase/(Decrease) in Loans & advances, other financial and non-financial assets	448,127	211,441
(Increase)/Decrease in Trade Payables, other financial and non-financial liabilities and provisions	-766,913	-2,350,787
Cash generated from Operations	-492,280	-841,035
Less: Direct Taxes paid (Net)	-	-
Net cash flow from Operating activities	-492,280	-841,035
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, Intangible Assets and movements in Capital work in progress	-	-
Fixed Assets sold/discarded	-	-
(Purchase)/Sale of Investment (net)	-	576,000
Advances and Loans to subsidiaries	-	-
Interest received	-	-
Dividend received	-	-
Investment in bank deposits (having original maturity of more than 3 months)	-	576,000
Net Cash flow from Investing activities	-	576,000
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayments) from short term borrowings (net)	-	-
Proceeds/(Redemption / Repayment) of Long Term Debentures/Term Loan	494,000	30,000
Interest and other borrowing cost paid	-	-
Dividend paid	-	-
Tax on Dividend	-	30,000
Net cash flow from Financing activities	494,000	30,000
Cash and Cash equivalents (A+B+C)	1,720	-235,035
Cash and Cash equivalents as at 1st April	328,830	563,865
Cash and Cash equivalents as at 31st March (refer note no. 4)	330,550	328,830

Note :
1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' as notified under Companies Act, 2013.

Significant Accounting Policies and other accompanying Notes (1 to 17) form an integral part of the Financial Statements
As per our report of even date

For Arpit Shah & Co.
Chartered Accountant
Firm Reg. No. 123004W

(Arpit T. Shah)
Proprietor
Place :- Ahmedabad
Date :- 28/05/18



Hariparasad Khetan
Director
DIN - 01228538

Rajubhai Desai
Director
DIN - 03148402



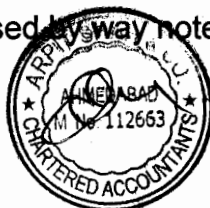
CITIZEN YARNS LIMITED

NOTES FORMING PARTS OF ACCOUNTS SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

A. SIGNIFICANT ACCOUNTING POLICIES:

The significant accounting policies followed by the company are as stated below:

- I. **ACCOUNTING CONVENTION :**
The financial statement is prepared under the historical cost convention and follows the mercantile system of accounting and recognizes income and expenditure on the accrual basis except those with significant uncertainties. Sales & Purchase is accounted exclusive of excise duty.
- II. **FIXED ASSETS :**
There are no fixed assets available.
- III. **DEPRECIATION :**
There are no fixed assets hence not applicable.
- IV. **INVENTORIES :**
There is no inventory at the year ended 31-03-2018, hence not applicable.
- V. **INVESTMENT :**
There are no Investments at the year end.
- VI. **MISCELLANEOUS EXPENSES :**
At the end of the year the balance of Miscellaneous Expenditure is W/O and the Balance is NIL.
- VII. **CONTINGENT LIABILITIES :**
No Provision is made for liabilities, which are contingent in nature but, if material, the same all disclosed by way notes to the accounts.



B. NOTES ON ACCOUNTS:

- I. Previous years figures have been regrouped wherever necessary.
- II. Balances of creditors, Loans & Advances and Debtors are subject to confirmation by the parties concerned.
- III. In respect of sales tax / income tax liability company does not expect any more liability than provided in the books of accounts.
- IV. Expenditure on Employees getting remuneration not less Rs.120000/- per year employed throughout the year and Rs.10000/- per month employed for part of year :

a. <u>No. of Employees</u>	<u>Amount Rs.</u>	<u>Amount Rs.</u>
b. Employed through out the year	Nil (Nil)	Nil (Nil)
c. Employed for a part of a year	Nil (Nil)	Nil (Nil)

V. Value of import calculates on CIF basis:

1. Raw Material	Nil	(Nil)
2. Components & Spare Parts	Nil	(Nil)
3. Capital Goods.	Nil	(Nil)



VI. Expenditure in Foreign Currency on account of :

1. Royalty	Nil	(Nil)
2. Knowhow.	Nil	(Nil)
3. Professional Consultancy	Nil	(Nil)
4. Other Matters	Nil	(Nil)

(c) The amount remitted in foreign currency on Nil (Nil)
Account of dividends to non- residents

VII. Auditor's Remuneration.

	31-03-2018	31-03-2017
a. As Auditors	17,700.00	30000.00
b. Tax Audit Fees	NIL	NIL
In other Capacity		
1. For Income Tax	NIL	NIL
2. For Company Law – Matter	NIL	NIL
3. For Certification Work	NIL	NIL
4. For Other Works	NIL	NIL

VIII. We relied on vouchers duly certified by the Assessee wherever original bills are not available during the test checked conducted in the course of our audit.



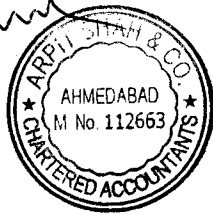
- IX. In the opinion of the Directors of the Company the current assets, Loans & Advances appearing in the balance sheet are approximately of the value as stated if realized in the ordinary course of business.
- X. Cash on hand at the year end certified by the management. Moreover we have not physically verified the Cash Balance as on 31-03-2018.
- XI. We are unable to express our opinion regarding diminution, if any, in the value of the investments as no documentary evidence were available or verification / judgment of the same.

FOR, Arpit Shah & Co.
CHARTERED ACCOUNTANTS

Arpit T. Shah

(Arpit T. Shah)
PARTNER

FRN No. 123004W



FOR, CITIZEN YARNS LIMITED

Wahle

DIRECTOR

Doshi

DIRECTOR

PLACE: AHMEDABAD

DATE : *28/05/18*

PLACE: AHMEDABAD

DATE : *28/05/18*