



## NOTES TO FINANCIAL STATEMENTS

### 1 i) **Company Overview**

Cosmo Ferrites Limited ("the Company") is a public limited company incorporated in India and has its registered office in Himachal Pradesh, India. The Company is listed on Bombay Stock Exchange.

### ii) **Basis of Preparation of financial statements**

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements are separate financial statements of the company.

The financial results have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined Benefit Plans – plan assets measured at fair value.

These financial statements are presented in Indian Rupees (Rs.), which is also the functional currency of the Company.

## 2 **Significant accounting policies**

### 2.1 **Property, Plant & Equipment**

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation. The cost comprises purchase price, borrowing cost and any other cost directly attributable to bringing the assets to its working condition for its intended use. Trade discount, rebates and recoverable taxes, if any are deducted in arriving at the purchase price.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation is calculated on fixed assets on straight line method in accordance with Schedule II of The Companies Act, 2013 except for machines in press section. For press section the life of the assets has, on technical evaluation, been

considered as 8 years instead of 25 years.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

### 2.2 **Inventories**

Inventories are valued at cost or net realizable value, whichever is lower.

Cost of raw materials and stores and spares are determined on weighted average bases. In case of Work-in-progress and Finished Goods, the cost includes cost of raw materials, cost of conversion, and other costs including overheads incurred to bring them to their respective present location and condition.

### 2.3 **Revenue recognition**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership are transferred to the buyer, there is no continuing effective control of the goods transferred, and the amount of revenue can be measured reliably.

Interest income is recognized on a time proportion basis.

Dividend income is recognized when the right to receive the payment is established.

### 2.4 **Employee benefits**

#### i) **Short Term Employee Benefits**

Short term employee benefits is recognized as an expense during the period when the employee render the service.

#### ii) **Post-Employment Benefits**

##### a) **Defined Contribution Plan**

The Company makes specified monthly contributions towards Provident fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognized as an expense during the period in which the employee renders the related service.



### b) Defined Benefits Plan

The Company operates a defined benefit gratuity plan. The cost of providing the benefits under this plan is determined using the productive unit cost method and spread over the period during which the benefit is expected to be derived from employees services.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees and is administered by Life Insurance Corporation of India.

Re-measurement of the defined benefit plan in are charged to the Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to the Profit and Loss Statement in subsequent periods.

### c) Other Employee Benefits

Liability in respect of leave encashment is recognized in the same manner as the defined benefit gratuity plan.

## 2.5 Product Warranties

Warranty related cost are recognized in the period in which the product is sold. Initial provision is recognized based on estimated rate of return of defectives during the warranty period and cost of repair and rectification thereof. The carrying amount of warranty provision is reviewed at the end of each reporting period.

## 2.6 Research & Development

Revenue expenditure on research and development is charged to Profit and Loss Statement in the year in which it is incurred. Capital expenditure on research and development is included in the respective heads under fixed assets and depreciation thereon is charged to Profit and Loss Statement.

## 2.7 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of the assets. All other borrowing costs are recognized in the period in which they are incurred. A qualifying asset is one that necessarily take a substantial period of time to get ready for their intended use.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.8 Foreign currency transactions

Foreign Currency transaction are initially recorded at the rate of exchange ruling at the date of transaction.

Foreign currency monetary item (assets and liabilities) are translated using the exchange rate prevailing at the reporting date. Exchange gains or losses arising on settlement or translation of monetary items are recognized in the Profit and Loss Statement.

Exchange gains or losses on foreign currency borrowings taken prior to 1st April, 2017 which are related to the acquisition and construction of qualifying assets are adjusted to the cost of the assets.

Non-monetary items, which are measured in terms of historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

## 2.9 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognized in Profit and Loss Statement, except to the extent that it relates to items recognized in Other Comprehensive Income in which case, the tax is also recognized in Other Comprehensive Income.

### Current Tax

Current tax liability is measured at the amount expected to be paid to the taxation authorities, based on tax rates and laws that are enacted or subsequently enacted at the Balance Sheet date.

### Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of tax credits (Minimum Alternate Tax credit entitlement) and the carry forward of business losses and unabsorbed tax depreciation.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.



## **2.10 Earnings per Share**

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting the redeemable preference share dividend) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profits attributable to equity shareholders (after deducting dividend on redeemable

preference shares) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

## **2.11 Impairment of Non-Financial Assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If an indication exists the Company estimates the assets recoverable amount and writes down the assets value to its recoverable amount.



**3 PROPERTY, PLANT AND EQUIPMENTS**

Rs in lakhs

Particulars	Land	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Total
<b>Gross Carrying Value as on 01.04.2017</b>	1,915.00	220.78	4,413.78	122.72	56.65	<b>6,728.93</b>
Addition	-	17.13	450.79	20.45	-	<b>488.37</b>
Deletions						-
<b>Gross Carrying Value as on 31.03.2018</b>	<b>1,915.00</b>	<b>237.91</b>	<b>4,864.57</b>	<b>143.17</b>	<b>56.65</b>	<b>7,217.30</b>
<b>Accumulated Depreciation as on 01.04.2017</b>	-	15.50	344.61	16.09	7.11	<b>383.31</b>
Depreciation for the period		15.84	376.29	18.44	19.48	<b>430.05</b>
Deductions/Adjustments						-
<b>Accumulated Depreciation as on 31.03.2018</b>	-	<b>31.34</b>	<b>720.90</b>	<b>34.53</b>	<b>26.59</b>	<b>813.36</b>
<b>Carrying Value as on 31.03.2018</b>	<b>1,915.00</b>	<b>206.57</b>	<b>4,143.67</b>	<b>108.64</b>	<b>30.06</b>	<b>6,403.92</b>
<b>Gross Carrying Value as on 01.04.2018</b>	1,915.00	237.91	4,864.57	143.17	56.65	<b>7,217.30</b>
Addition	-	50.32	253.64	8.45	197.94	<b>510.35</b>
Deletions			503.74	63.09		<b>566.83</b>
<b>Gross Carrying Value as on 31.03.2019</b>	<b>1,915.00</b>	<b>288.23</b>	<b>4,614.47</b>	<b>88.53</b>	<b>254.59</b>	<b>7,160.82</b>
<b>Accumulated Depreciation as on 01.04.2018</b>	-	31.34	720.90	34.53	26.59	<b>813.36</b>
Depreciation for the period	-	16.57	359.68	16.75	20.72	<b>413.72</b>
Deductions/Adjustments	-	-	56.02	8.65	-	<b>64.67</b>
<b>Accumulated Depreciation as on 31.03.2019</b>	-	<b>47.91</b>	<b>1,024.56</b>	<b>42.63</b>	<b>47.31</b>	<b>1,162.41</b>
<b>Carrying Value as on 31.03.2019</b>	<b>1,915.00</b>	<b>240.32</b>	<b>3,589.91</b>	<b>45.90</b>	<b>207.28</b>	<b>5,998.41</b>

**4 OTHER FINANCIAL ASSETS (NON CURRENT)**

(Unsecured-considered good)

Amount (Rs. Lakh)

Particulars	As at 31.03.2019	As at 31.03.2018
Fixed deposits with banks		
- Held as margin/security with maturity period of more than 1 year from balance sheet date	2.32	2.32
Security Deposits to Related Parties	8.63	8.63
Security Deposits to Others	33.10	50.80
Loans & Advances to Related Parties	8.63	8.63
<b>Total</b>	<b>52.68</b>	<b>70.38</b>



## 5 INVENTORIES

(As taken, valued and certified by the management)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Raw Materials*	205.92	269.51
Work in progress	629.76	559.54
Finished Goods**	106.41	84.91
Stores & Spares***	305.04	318.98
<b>Total</b>	<b>1,247.13</b>	<b>1,232.94</b>

\* includes goods in transit Rs Nil (Previous period Rs. 19.49 lakh)

\*\* includes goods in transit Rs 32.38 lakh (Previous period Rs. 40.06 lakh)

\*\*\* includes goods in transit Rs 0.94 lakh (Previous period Rs. 9.82 lakh)

## 6 TRADE RECEIVABLES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Considered good - secured	-	-
Considered good - unsecured	1,222.15	1,875.06
Having significant increase in credit risk	122.75	72.40
Credit impaired	-	-
Total	1,344.90	1,947.46
Less: provision for doubtful debts	(124.25)	(86.42)
<b>Total</b>	<b>1,220.65</b>	<b>1,861.04</b>

## 7 CASH & CASH EQUIVALENTS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Balances with banks in current accounts	2.93	15.88
Fixed deposits with banks		
- Held as margin/security with maturity up to 3 months from inception	-	-
Cash in hand	3.63	7.16
<b>Total</b>	<b>6.56</b>	<b>23.04</b>



**8 BANK BALANCE OTHER THAN CASH & CASH EQUIVALENTS**

Amount (Rs. Lakh)

Particulars	As at 31.03.2019	As at 31.03.2018
Fixed deposits with banks		
- Held as margin/security with original maturity of more than 3 months having remaining maturity of less than 12 months from balance sheet date	115.00	111.78
<b>Total</b>	<b>115.00</b>	<b>111.78</b>

**9 OTHER FINANCIAL ASSETS (CURRENT)**

Amount (Rs. Lakh)

Particulars	As at 31.03.2019	As at 31.03.2018
Export Benefits and Entitlements	68.04	82.82
Interest accrued on Loans & Deposits	8.09	2.22
<b>Total</b>	<b>76.13</b>	<b>85.04</b>

**10 INCOME TAX ASSETS**

(Unsecured-considered good)

Amount (Rs. Lakh)

Particulars	As at 31.03.2019	As at 31.03.2018
Advance Income Tax (including Tax Deducted at Source)	3.32	3.69
MAT Credit Entitlement	29.67	29.67
<b>Total</b>	<b>32.99</b>	<b>33.36</b>

**11 OTHER CURRENT ASSETS**

(Unsecured-considered good)

Amount (Rs. Lakh)

Particulars	As at 31.03.2019	As at 31.03.2018
GST recoverable	130.75	167.92
Less: Provision for doubtful recoverable	(86.61)	-
Advances recoverable in cash or in kind	56.61	87.49
Non current assets held for sale	9.09	-
Others	141.79	133.95
<b>Total</b>	<b>251.62</b>	<b>389.36</b>



## 12 EQUITY SHARE CAPITAL

### (a) Authorised

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at	As at	As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Equity Shares of Rs. 10 each</b>				
At the beginning of the period	15,000,000	15,000,000	1,500.00	1,500.00
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	<u>15,000,000</u>	<u>15,000,000</u>	<u>1,500.00</u>	<u>1,500.00</u>
<b>Preference Shares of Rs. 100 each</b>				
At the beginning of the period	800,000	800,000	800.00	800.00
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	<u>800,000</u>	<u>800,000</u>	<u>800.00</u>	<u>800.00</u>
<b>Total</b>			<b><u>2,300.00</u></b>	<b><u>2,300.00</u></b>

### (b) Issued, Subscribed and Paid up

Particulars	No. of Shares		Amount (Rs. Lakh)	
	As at	As at	As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Equity Shares of Rs. 10 each fully paid up</b>				
At the beginning of the period	12,030,000	12,030,000	1,203.00	1,203.00
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	<u>12,030,000</u>	<u>12,030,000</u>	<u>1,203.00</u>	<u>1,203.00</u>
<b>Total</b>			<b><u>1,203.00</u></b>	<b><u>1,203.00</u></b>

Details of shares in the company held by each shareholder holding more than 5% of shares is as under:

Name of the Shareholder	No. of Shares		Percentage	
	As at	As at	As at	As at
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Andheri Properties & Finance Ltd	3,756,875	3,756,375	31.23	31.23
Super Sadiq Enterprises Pvt. Ltd.	3,685,000	3,685,000	30.63	30.63



### 13 LONG TERM BORROWINGS (Secured)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
From Banks		
Term Loan*	414.39	687.20
Hire Purchase Finance**	142.63	15.54
<b>Total</b>	<b>557.02</b>	<b>702.74</b>
Preference Shares***	200.00	200.00
<b>Total</b>	<b>757.02</b>	<b>902.74</b>

\* Rupee Term Loans are secured by first equitable mortgage of immovable assets both present and future and hypothecation of moveable assets (save and except book debts) charged to rank pari-passu inter se and subject to prior charges created in favour of the company's for working capital loans and assets exclusively charged.

\*\* Assets purchased under Hire Purchase Finance Schemes are hypothecated to the financiers.

\*\*\*Preference shares are non convertible, cumulative and redeemable at end of 10 years from the date of allotment i.e. 29.01.2014 and 22.08.2014 or earlier at the option of the company. Dividend @ 10% is payable on these shares.

The above loans are repayable as follows:

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Payable after 1 year	222.40	308.01
Payable after 2 years	217.19	175.52
Payable after 3 years	53.07	195.36
Payable after 4 years	26.61	29.07
Payable after 5 years	29.00	0.22
Payable after 6 years	9.57	-
Unamortised upfront fees	(0.82)	(5.44)
<b>Total</b>	<b>557.02</b>	<b>702.74</b>

### 14 LONG TERM PROVISIONS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Provisions for Employee Benefits	206.42	195.72
Provision for Warranty	-	0.37
<b>Total</b>	<b>206.42</b>	<b>196.09</b>





## 15 DEFERRED TAX (LIABILITIES) / ASSETS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
<b>Deferred Tax liability</b>		
Property, Plant and Equipments	534.60	614.93
Revaluation of Land	177.56	184.66
<b>Total</b>	<b>712.16</b>	<b>799.59</b>
<b>Deferred Tax Assets</b>		
Carry forward loss*	581.57	397.46
43B items	72.16	73.89
Others	58.43	22.53
<b>Total</b>	<b>712.16</b>	<b>493.88</b>
<b>Net Deferred Tax (Liability) / Asset</b>	<b>-</b>	<b>(305.71)</b>

\*Deferred tax assets on carry forward loss amounts to Rs 591.29 lakhs. In view of its uncertainty of its realisation, the deferred tax asset has been recognised to the extent of deferred tax liability as required by 'Indian Accounting Standards (Ind AS) 12 - Income Taxes'

## 16 OTHER NON CURRENT LIABILITIES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Security Deposits	3.18	4.93
<b>Total</b>	<b>3.18</b>	<b>4.93</b>

## 17 SHORT TERM BORROWINGS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Secured		
Loans repayable on Demand		
From Banks*	1,694.08	1,755.13
Other Loans & Advances		
Foreign Currency Buyers Credit*	-	372.31
<b>Sub Total</b>	<b>1,694.08</b>	<b>2,127.44</b>
Unsecured		
Inter Corporate loan from related party	1,165.00	1,090.00
Deposits	2.85	2.85
<b>Sub Total</b>	<b>1,167.85</b>	<b>1,092.85</b>
<b>Total</b>	<b>2,861.93</b>	<b>3,220.29</b>

\* Secured by hypothecation of inventories and book debts and further secured by way of second charge on fixed assets both present and future.



## 18 TRADE PAYABLES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Total outstanding dues of Micro, Small and Medium Enterprises	286.59	-
Total outstanding dues of other than Micro, Small and Medium Enterprises	1,534.00	1,595.82
<b>Total</b>	<b>1,820.59</b>	<b>1,595.82</b>

The information regarding Micro, Small and Medium Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified on the basis of information available with the Company, is given below:

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Principal amount due outstanding as at end of year	286.58	-
Interest due on above and unpaid as at end of year	11.84	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the period	67.99	-
Interest due and payable for the period of delay	15.75	-
Interest accrued and remaining unpaid as at end of period	27.59	-

Amount payable in respect of capital goods Rs. 23.41 lakh (Previous period Rs. 61.00 lakh)

## 19 OTHER FINANCIAL LIABILITIES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Current Maturities of Long Term Debts	334.92	317.42
<b>Total</b>	<b>334.92</b>	<b>317.42</b>

## 20 SHORT TERM PROVISIONS

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Provisions for Employee Benefits	21.74	28.75
Provision for Warranty	-	2.58
<b>Total</b>	<b>21.74</b>	<b>31.33</b>



## 21 OTHER CURRENT LIABILITIES

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
Advance from Customers	66.90	31.65
Interest accrued on borrowings	37.18	-
Other Payables	512.77	428.44
<b>Total</b>	<b>616.85</b>	<b>460.09</b>

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31.03.2019.

## 22 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Particulars	Amount (Rs. Lakh)	
	As at 31.03.2019	As at 31.03.2018
<b>Contingent Liabilities</b>		
a) Claims against the company not acknowledged as debts	15.00	15.00
b) Taxation matters disputed in appeals/rectification against which payments made Rs. 9.33 lakh (previous period Rs. 9.05 lakh)	24.21	24.21
c) Bank Guarantee	69.88	69.63
d) Bill discounted with Banks	82.07	157.14
e) Interest on unsecured loans waived off by the lenders with the right to re-compensate if the financial position of the company allows such payment subsequently	56.88	-
<b>Commitments</b>		
a) Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	36.28
b) Letter of credits opened for which the material has not yet been shipped	120.71	160.13

**23** In the opinion of the board the assets other than fixed assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

## 24 REVENUE FROM OPERATIONS

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Gross Sales of Products		
Soft Ferrites Components	5,832.39	6,179.63
Coils & Transformers	1,555.04	1,363.74
Lights & Controls	454.22	379.96
<b>Total</b>	<b>7,841.65</b>	<b>7,923.33</b>



## 25 OTHER INCOME

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Interest	7.91	8.36
Claims Received	4.07	18.37
Miscellaneous Receipts & Income	63.21	48.03
Excess Provisions/Sundry balances written back	7.44	11.12
Exchange Rate Difference (Net)	37.21	42.66
<b>Total</b>	<b>119.84</b>	<b>128.54</b>

## 26 COST OF MATERIALS CONSUMED

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
At the beginning of the period	269.51	159.86
Add: Purchases during the period	3,036.29	2,862.71
Less: Consumption during the period	3,099.89	2,753.06
At the end of the period	205.92	269.51
Net of sales of Rs 101.81 lacs (previous year nil)		

## 27 CHANGES IN INVENTORIES

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Closing Stock		
Finished Goods	106.41	84.91
Work in Progress	629.76	559.54
Scrap	-	-
	736.17	644.45
Opening Stock		
Finished Goods	84.91	95.05
Work in Progress	559.54	571.43
Scrap	-	1.90
	644.45	668.38
<b>(Increase)/Decrease in stocks</b>	<b>(91.72)</b>	<b>23.93</b>



## 28 EMPLOYEE BENEFITS EXPENSE

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Salaries & Wages	1734.00	1797.27
Gratuity	10.12	15.76
Contribution to Provident & Other Funds	143.21	159.85
Staff Welfare Expenses	63.51	66.22
<b>Total</b>	<b>1,950.84</b>	<b>2,039.10</b>

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
During the year, the following contribution have been made under defined contribution plans:-		
Employer's Contribution to Provident Fund	79.58	89.76
Employer's Contribution to Superannuation Fund	18.69	20.37
Employer's Contribution to Employees State Insurance	40.96	44.80

Defined Benefit Plans	Gratuity	Leave Benefit	Gratuity	Leave Benefit
<b>Assumptions</b>				
Attrition Rate	5%	5%	5%	5%
Salary Rise	5%	5%	5%	5%
<b>Table showing changes in present value of obligations</b>				
Present value of obligation as at beginning of year	255.13	62.01	224.13	46.97
Interest cost	19.00	4.44	16.36	3.43
Current Service Cost	13.49	10.21	18.28	13.47
Benefits Paid	(13.47)	(7.93)	(6.13)	(1.24)
Actuarial (gain)/loss on obligation	(10.14)	(9.46)	2.49	(0.62)
Present value of obligations as at end of year	264.01	59.27	255.13	62.01
<b>Table showing changes in the present value of plan assets</b>				
Fair value of plan assets at the beginning of year	92.67	-	88.13	-
Expected return on plan assets	6.94	-	6.43	-
Contributions	8.11	-	4.22	-
Benefits paid	(12.09)	(7.93)	(6.65)	(1.24)
Actuarial gain / (Loss) on plan assets	(0.51)	-	0.54	-
Fair value of plan assets at the end of year	95.12	(7.93)	92.67	(1.24)
<b>Table showing fair value of plan assets</b>				
Fair value of plan assets at the beginning of year	92.67	-	88.13	-
Actual return on plan assets	6.43	-	6.97	-
Contributions	8.11	-	4.22	-
Benefits paid	(12.09)	(7.93)	(6.65)	(1.24)
Fair value of plan assets at the end of year	95.12	-	92.67	-
Present value of obligation at the end of year	264.01	59.27	255.13	62.01
Funded status	(168.89)	(59.27)	(162.46)	(62.01)



Defined Benefit Plans	Gratuity	Leave Benefit	Gratuity	Leave Benefit
<b>Actuarial Gain / Loss recognized</b>				
Actuarial gain / Loss for the year – obligation	10.14	(9.46)	(2.49)	(0.62)
Actuarial (gain)/Loss for the year – plan assets	(0.52)		0.54	
Total (gain) / Loss for the year	9.62	(9.46)	(1.95)	(0.62)
Actuarial (gain / Loss recognized in the year	9.62	(9.46)	(1.95)	(0.62)
<b>The amounts to be recognized in the balance sheet and statements of Profit &amp; loss</b>				
Present value of obligations as at the end of year	264.01	59.27	255.13	62.01
Fair value of plan assets as at the end of the year	95.12		92.67	
Funded status	(168.89)	(59.27)	(162.46)	(62.01)
Net Asset / (Liability) recognized in balance sheet	168.89	59.27	162.46	62.01
<b>Expenses recognized in statement of Profit &amp; Loss</b>				
Current services cost	13.49	10.21	18.28	13.47
Interest cost	19.00	4.44	16.36	3.43
Expected return on plan assets	(6.94)		(6.43)	
Net Actuarial (gain)/Loss recognized in the year	9.62	(9.46)	(1.95)	(0.62)
Expenses recognized in statement of P&L	12.56	7.44	26.26	16.28

\* This pertains to long term liability only. Actual payments (under the various heads) incurred over the intervaluation period are not included.

The Estimates of rate of future salary increase takes into account inflation, seniority, promotion and other relevant factors on long term basis. The discount rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of liability. The above information is certified by the actuary.

## 29 FINANCE COSTS

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Interest Expense	448.01	440.41
Bank and Finance Charges	65.81	73.78
<b>Total</b>	<b>513.82</b>	<b>514.19</b>

## 30 DEPRECIATION & AMORTISATION EXPENSE

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Depreciation	413.72	430.06
<b>Total</b>	<b>413.72</b>	<b>430.06</b>



### 31 OTHER EXPENSES

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Consumption of Stores, Spare and Packing Materials	973.94	1,093.07
Power & Fuel	911.87	931.02
Exise Duty	-	102.33
Rent	73.93	105.39
Repairs to Buildings	8.42	3.61
Repairs to Machinery	174.15	204.82
Insurance	26.06	17.72
Rates & Taxes	7.56	6.65
Travelling & Conveyance	169.59	142.86
Professional & Consultancy Charges	91.86	111.07
Other Selling Expenses	79.89	50.25
Charity & Donation	0.65	0.92
Provision for Doubtful Debts/Advances	(16.17)	23.49
Loss/(Profit) on sale of fixed assets	7.02	-
Miscellaneous Expenses*	181.85	182.56
Prior period Expenses	-	1.73
<b>Total</b>	<b>2,690.62</b>	<b>2,977.49</b>

\*includes payment to statutory auditors (including previous statutory auditors)

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
As Statutory Audit Fees	3.60	2.85
As Audit Fees for Quarterly Audited Results	3.15	2.58
For Certification Work	0.22	0.16
For Reimbursement of Expenses	0.44	0.26
<b>Total</b>	<b>7.41</b>	<b>5.85</b>

### 32 EARNING PER SHARE (EPS)

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
<b>Basic and Diluted Earnings Per Share</b>		
Profit/(Loss) after tax as per profit & loss account (Rs. lakh) (A)	(834.57)	(240.42)
No. of equity shares (B)	12,030,000	12,030,000
Basic and Diluted Earning Per Share (Rs.) (A/B)	(6.94)	(2.00)



### 33 WARRANTY PROVISIONS

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
Opening balance	2.95	-
Amount provided during the year	2.28	2.95
Amount used during the year	-	-
Amount written back	5.23	-
Closing Balance	-	2.95

### 34 RELATED PARTY DISCLOSURE:

#### A Names of related parties and description of relationship

- (i) Key managerial personnel  
Shri Ambrish Jaipuria, Executive Director
- (ii) Enterprises over which key managerial personnel of the company and their relatives have significant influence  
Super Sadiq Enterprises Pvt Ltd.  
Andheri Properties & Finance Ltd.

Particulars	Enterprises over which key managerial personnel of the company and their relatives have significant influence	Key Managerial Personnel	Total
Remuneration paid	- (-)	133.06 (140.00)	133.06 (140.00)
Rent Paid	44.29 (39.24)	- (-)	44.29 (39.24)
Interest Paid	54.64 (66.37)	- (-)	54.64 (66.37)
Loan received	75.00 (920.00)	- (-)	75.00 (920.00)
Balance outstanding at the end of the period			
a) Other Liabilities	68.69 (-)	6.36 (-)	75.05 (-)
b) Advance Rent Paid	8.63 (8.63)	- (-)	8.63 (8.63)
c) Security Deposit Paid	8.63 (8.63)	- (-)	8.63 (8.63)
d) Loan received	1,165.00 (1,090.00)	- (-)	1,165.00 (1,090.00)

Previous period figures are given in bracket.

- 35** It is the management's opinion that since the company is exclusively engaged in the activity of manufacture of components of electrical & electronic products which are governed by the same set of risks and returns the same are considered to constitute a single reportable segment in the context of Accounting Standard on "Segment Reporting" issued by the Institute of Chartered Accountants of India.





**36** Exceptional item of Rs. 530 Lakhs represents one time loss due to discontinuation of LED operations.

**37** Capital work in progress includes capital advances of Rs. nil (Previous year Rs. 1.08 lakh)

**38** Figures for the previous period have been regrouped / rearranged wherever considered necessary.

**39 VALUE OF IMPORTED / INDIGENOUS RAW MATERIALS, STORES & SPARES CONSUMED**

Class of Goods	For the period from		Amount (Rs. Lakh)	
	01.04.2018 to 31.03.2019		For the period from 01.04.2017 to 31.03.2018	
	Percentage	Amount (Rs. lakh)	Percentage	Amount (Rs. lakh)
<b>Raw Materials</b>				
Imported	51.52	1,597.19	52.01	1,431.75
Indigenous	48.48	1,502.70	47.99	1,321.27
	<u>100.00</u>	<u>3,099.89</u>	<u>100.00</u>	<u>2,753.02</u>
<b>Stores &amp; Spares</b>				
Imported	17.87	174.08	20.76	226.92
Indigenous	82.13	799.86	79.24	866.15
	<u>100.00</u>	<u>973.94</u>	<u>100.00</u>	<u>1,093.07</u>

**40 OTHER INFORMATIONS**

Particulars	Amount (Rs. Lakh)	
	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
CIF value of Imports		
Raw materials	1,559.10	1,524.49
Stores & spares	214.11	285.31
Capital goods	101.32	90.85
Expenditure in Foreign Currency		
Travelling	80.49	46.29
Commission, exhibition etc.	12.18	24.25
Earnings in Foreign Currency		
FOB value of exports (including deemed exports Rs. 492.79 lakh, previous period Rs. 715.21 lakh)	3,196.16	3,395.21

As per our report of even date annexed

For Suresh Kumar Mittal & CO.,  
Chartered Accountants  
Reg. No. 500063N

Amrish Jaipuria  
Director  
DIN: 00214687

Naresh Kumar Gupta  
Director  
DIN: 00214602

Partner  
Membership No. 521915

Pawan Kumar Lakhotia  
Company Secretary

Ramesh Chand  
Chief Financial Officer

Place: New Delhi  
Date : 13 May, 2019