

# **Eltech Engineers Madras Private Limited**

Financial statements together with the  
Independent Auditors' Report  
for the year ended 31 March 2020

# **Eltech Engineers Madras Private Limited**

**Financial statements together with the Independent Auditors' Report**  
*for the year ended 31 March 2020*

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## **Independent Auditors' Report**

To the Members of  
**Eltech Engineers Madras Private Limited**

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

#### **Opinion**

We have audited the accompanying financial statements of Eltech Engineers Madras Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards ("AS") prescribed under section 133 of the Act or other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, the profits and the cash flows for the year ended on that date.

#### **Basis for Opinion**

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

## **Independent Auditors' Report (*Continued*)**

### **Eltech Engineers Madras Private Limited**

#### **Emphasis of Matter**

Without qualifying our opinion on account of this matter, we draw attention to following matter included in Notes to the financial statements:

1. Note 2 of the financial statements regarding the fact that the Company has incurred a marginal profit of Rs 2,89,527 for the year ended 31 March 2020. As at 31 March 2020, its accumulated losses were Rs 2,87,45,246, the current liabilities were Rs 8,65,95,352 and current assets were Rs 4,93,65,519. Further, it's net worth as at 31 March 2020 was negative Rs 2,57,45,246. The appropriateness of the going concern assumption is dependent upon realisation of various business initiatives undertaken by the Company. The Holding Company has committed to provide all financial and other support to enable the Company to operate as a going concern.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

#### **Information other than the Financial Statements and Auditor's Report thereon**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Independent Auditors' Report (*Continued*)**

### **Eltech Engineers Madras Private Limited**

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

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

In preparing the financial statements, Board of Directors are 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 the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## **Independent Auditors' Report (*Continued*)**

### **Eltech Engineers Madras Private Limited**

#### **Auditors' Responsibility for the Audit of the Financial Statements (*Continued*)**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Independent Auditors' Report (*Continued*)**

### **Eltech Engineers Madras Private Limited**

#### **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 of India in terms of Section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, 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, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the AS prescribed under Section 133 of the Act;
  - (e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act except for Mr. Krishnamurthi Sriram who has not provided declaration as required in Form DIR-8 pursuant to section 164(2) of the Act and hence we are unable to comment about his disqualification as on 31 March 2020.
  - (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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

## **Independent Auditors' Report (*Continued*)**

### **Eltech Engineers Madras Private Limited**

#### **Report on Other Legal and Regulatory Requirements (*Continued*)**

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

1. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 24.1 to the standalone financial statements;
2. the Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
3. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020.

For **Saini Pati Shah & Co LLP**  
(formerly known as S G J & Co)  
Chartered Accountants  
Firm's Registration No: 137904W/W100622

Mumbai, July 27, 2020

Sd/-  
**Som Nath Saini**  
Partner  
Membership No: 093079

## **Eltech Engineers Madras Private Limited**

### **Annexure A to the Independent Auditors' Report – 31 March 2020**

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report the following:

- (i)
  - (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) The Company has a regular programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. We are informed that the discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans given, guarantees given, securities provided or investments made during the year are not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

## Eltech Engineers Madras Private Limited

### Annexure A to the Independent Auditors' Report – 31 March 2020 (Continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, Profession tax, Provident fund, Employees' State Insurance, Goods and Services tax, Cess and other material statutory dues have not been regularly deposited during the year with the appropriate authorities and there are significant delays in various instances. As explained to us, the Company did not have any dues on account of wealth tax, sales-tax / value added tax, duty of customs, duty of excise and investor education and protection fund.

The details regarding payment of statutory dues are as follows:

Particulars	Total dues as on 31 March 2020	Dues for more than 6 months as on 31 March 2020
Tax deducted at source	Rs 18,28,701	Rs 4,21,549
Employees state insurance	Rs 39,754	Rs 6,519
Profession tax	Rs 79,054	Rs 27,517
Provident fund	Rs 762,080	-
Goods and service tax	Rs 610,706	-

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Duty of excise, Sales tax, Service tax, Value added tax and Goods and Services tax as at 31 March 2020 which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Nature of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount demanded
The Income tax Act, 1961	Income tax and interest	Assessing Officer	A.Y. 2006-07 to A.Y. 2011-12	Rs 17,99,651
The Income tax Act, 1961	Income tax and interest	Assessing Officer	A.Y. 2018-19	Rs 2,40,730

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company did not have any outstanding dues to financial institutions, government and debenture holders during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

## **Eltech Engineers Madras Private Limited**

### **Annexure A to the Independent Auditors' Report – 31 March 2020 (Continued)**

- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given by the management, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable AS. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of clause 3(xiii) of the Order are not applicable to the Company and hence not commented upon
- (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 or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- (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 any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For Saini Pati Shah & Co LLP**  
*(formerly known as S G J & Co)*  
Chartered Accountants  
Firm's Registration No: 137904W/W100622

**Sd/-**  
**Som Nath Saini**  
Partner

Mumbai, July 27, 2020

Membership No: 093079

# **Eltech Engineers Madras Private Limited**

## **Annexure B to the Independent Auditors' Report – 31 March 2020**

**Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

**(Referred to in paragraph (2)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to financial statements of Eltech Engineers Madras Private Limited (“the Company”) as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements 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 (“the Guidance Note”).

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 with respect to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

# **Eltech Engineers Madras Private Limited**

## **Annexure B to the Independent Auditors' Report – 31 March 2020 (*Continued*)**

### **Auditors' Responsibility (*Continued*)**

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with respect to financial statements and their operating effectiveness. Our audit of internal financial controls with respect to financial statements included obtaining an understanding of internal financial controls with respect to financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to financial statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Saini Pati Shah & Co LLP**

*(formerly known as S G J & Co)*

Chartered Accountants

Firm's Registration No: 137904W/W100622

**Sd/-**

**Som Nath Saini**

Partner

Membership No: 093079

Mumbai, July 27, 2020

# Eltech Engineers Madras Private Limited

## Balance Sheet

as at 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

	Note No.	31 March 2020	31 March 2019
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	4	30,00,000	30,00,000
Reserves and surplus	5	(2,87,45,246)	(2,90,34,773)
		<u>(2,57,45,246)</u>	<u>(2,60,34,773)</u>
<b>Non-current liabilities</b>			
Long-term borrowings	6	15,25,000	15,25,000
<b>Current liabilities</b>			
Short-term borrowings	7	1,04,47,846	1,00,15,548
Trade payables	8		
- Dues to micro and small enterprises		13,92,702	-
- Dues to other than micro and small enterprises		5,58,51,270	3,87,15,225
Other current liabilities	9	1,89,03,534	1,21,13,279
		<u>8,65,95,352</u>	<u>6,08,44,052</u>
<b>Total</b>		<u><u>6,23,75,106</u></u>	<u><u>3,63,34,279</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipments	10		
Tangible assets		31,99,115	39,35,986
Intangibles assets		92,06,244	-
Deferred tax asset (net)	11	-	-
Long-term loans and advances	12	6,04,228	1,73,613
		<u>1,30,09,587</u>	<u>41,09,599</u>
<b>Current assets</b>			
Inventories	13	80,44,699	88,36,589
Trade receivables	14	3,89,12,104	2,24,96,986
Cash and bank balances	15	16,37,017	17,715
Short-term loans and advances	16	7,71,699	8,73,390
		<u>4,93,65,519</u>	<u>3,22,24,680</u>
<b>Total</b>		<u><u>6,23,75,106</u></u>	<u><u>3,63,34,279</u></u>
<b>Significant accounting policies</b>	3		
<b>Notes to the financial statements</b>	4-24		

The accompanying notes 4-24 form an integral part of the financial statements.

As per our report of even date attached.

**For Saini Pati Shah & Co LLP**

(formerly known as S G J & CO)

Chartered Accountants

Firm Registration No: 137904W/W100622

sd/-

**Som Nath Saini**

Partner

Membership No: 093079

Mumbai, July 27, 2020

**For and on behalf of the Board of Directors of  
Eltech Engineers Madras Private Limited**

sd/-

**Vinay Uchil**

Director

DIN: 01276871

sd/-

**Venkatesh Uchil**

Director

DIN: 01282671

## Eltech Engineers Madras Private Limited

### Statement of Profit and Loss

for the year ended 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

	Note No.	31 March 2020	31 March 2019
<b>Income</b>			
Revenue from operations	17	9,68,76,522	12,87,86,875
Other income	18	-	78,67,383
		<u>9,68,76,522</u>	<u>13,66,54,258</u>
<b>Expenses</b>			
Cost of materials consumed	19	6,82,67,490	12,30,62,942
Changes in inventories of finished goods and work-in-progress	20	1,00,000	(33,00,000)
Employee benefits expense	21	1,70,54,680	2,00,86,077
Finance costs	22	12,90,082	9,51,827
Depreciation and amortisation	10	25,39,627	1,54,471
Other expenses	23	73,35,116	62,23,407
		<u>9,65,86,995</u>	<u>14,71,78,724</u>
<b>Profit / (Loss) before tax</b>		<b>2,89,527</b>	<b>(1,05,24,466)</b>
<b>Tax expense:</b>			
- Current tax		-	-
- Deferred tax charge / (credit)		-	-
<b>Profit / (Loss) after tax</b>		<u><b>2,89,527</b></u>	<u><b>(1,05,24,466)</b></u>
<b>Earning per equity share (in rupees)</b>			
- Basic and diluted earning per equity share of face value of Rs 10 each	24.4	<u><b>0.97</b></u>	<u><b>(35.08)</b></u>
<b>Significant accounting policies</b>	3		
<b>Notes to the financial statements</b>	4-24		

The accompanying notes 4-24 form an integral part of the financial statements.

As per our report of even date attached.

#### For Saini Pati Shah & Co LLP

(formerly known as S G J & CO)

Chartered Accountants

Firm Registration No: 137904W/W100622

sd/-

**Som Nath Saini**

Partner

Membership No: 093079

Mumbai, July 27, 2020

#### For and on behalf of the Board of Directors of Eltech Engineers Madras Private Limited

sd/-

**Vinay Uchil**

Director

DIN: 01276871

sd/-

**Venkatesh Uchil**

Director

DIN: 01282671

## Eltech Engineers Madras Private Limited

### Cash Flow Statement

for the year ended 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2020	31 March 2019
<b>A) Cash flow from operating activities:</b>		
<b>Profit / (Loss) before taxation</b>	<b>2,89,527</b>	<b>(1,05,24,466)</b>
Depreciation and amortisation	25,39,627	1,54,471
Liabilities no longer required written back	-	(77,98,847)
Finance costs	12,90,082	9,51,827
Interest income	-	(68,536)
<b>Operating profit / (loss) before working capital changes</b>	<b>41,19,236</b>	<b>(1,72,85,551)</b>
<b>Adjustments for changes in working capital:</b>		
(Increase) / Decrease in inventories	7,91,890	1,57,60,561
(Increase) / Decrease in trade receivables	(1,64,15,118)	(6,82,630)
(Increase) / Decrease in loans and advances	(3,11,514)	7,46,777
Increase / (Decrease) in trade payable	1,85,28,747	54,47,625
Increase / (Decrease) in other liabilities	67,90,255	(37,53,806)
<b>Cash generated from operations</b>	<b>1,35,03,496</b>	<b>2,32,976</b>
Direct taxes paid (net)	(17,410)	(4,77,785)
<b>Net cash flows generated from / (used in) operating activities</b>	<b>(A) 1,34,86,086</b>	<b>(2,44,809)</b>
<b>B) Cash flow from investing activities:</b>		
Purchase of property, plant and equipments	(1,10,09,000)	-
Proceeds from maturity of fixed deposits	-	2,58,000
Interest received	-	68,536
<b>Net cash flows generated from / (used in) investing activities</b>	<b>(B) (1,10,09,000)</b>	<b>3,26,536</b>
<b>C) Cash flow from financing activities:</b>		
Proceeds from / (Repayment of) short-term borrowings (net)	(17,702)	4,79,193
Finance costs paid	(8,40,082)	(5,77,033)
<b>Net cash flows generated from / (used in) financing activities</b>	<b>(C) (8,57,784)</b>	<b>(97,840)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C) 16,19,302</b>	<b>(16,113)</b>
Cash and cash equivalents at the beginning of the year	17,715	33,828
<b>Cash and cash equivalent at the end of the year</b>	<b>16,37,017</b>	<b>17,715</b>

**Eltech Engineers Madras Private Limited**

**Cash Flow Statement (Continued)**

for the year ended 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

**31 March 2020**

31 March 2019

**Notes:**

1	Component of cash and cash equivalent (Refer note 15)		
	Cash in hand	51,088	12,253
	Bank balances		
	- in current accounts	15,85,929	5,462
		<u>16,37,017</u>	<u>17,715</u>

2 The above cash flow statement has been prepared under "indirect method" set out in Accounting Standard - 3 on cash flow statements.

As per our report of even date attached.

**For Saini Pati Shah & Co LLP**

(formerly known as S G J & CO)

Chartered Accountants

Firm Registration No: 137904W/W100622

**For and on behalf of the Board of Directors of  
Eltech Engineers Madras Private Limited**

sd/-

**Som Nath Saini**

Partner

Membership No: 093079

sd/-

**Vinay Uchil**

Director

DIN: 01276871

sd/-

**Venkatesh Uchil**

Director

DIN: 01282671

Mumbai, July 27, 2020

## Eltech Engineers Madras Private Limited

### Notes to the financial statements

as at 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

31 March 2020      31 March 2019

#### 4 Share capital

##### Authorised

15,00,000 (Previous year: 15,00,000) equity shares of Rs. 10 each

1,50,00,000      1,50,00,000

##### Issued, subscribed and paid-up

3,00,000 (Previous year: 3,00,000) equity shares of Rs. 10 each, fully paid-up

30,00,000      30,00,000

#### a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

	31 March 2020		31 March 2019	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity shares of Rs. 10 each fully paid-up</b>				
At the beginning of the year	3,00,000	30,00,000	3,00,000	30,00,000
Shares issued during the year	-	-	-	-
At the end of the year	<u>3,00,000</u>	<u>30,00,000</u>	<u>3,00,000</u>	<u>30,00,000</u>

#### b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares having a par value of Rs. 10 per share (Previous year: Rs 10 per share). Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residuals assets. The equity share holders are entitled to receive dividend from time to time. Each holder of equity shares is entitled to one vote per share.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

#### c) Shares held by holding company

	31 March 2020		31 March 2019	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity shares of Rs. 10 each fully paid-up</b>				
Marine Electricals (India) Limited	2,10,000	21,00,000	2,10,000	21,00,000

#### d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2020		31 March 2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Equity Shares of Rs. 10 each fully paid-up</b>				
Marine Electricals (India) Limited	2,10,000	70.00	2,10,000	70.00
Electrovast Solutions	75,000	25.00	75,000	25.00

## Eltech Engineers Madras Private Limited

### Notes to the financial statements

as at 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

31 March 2020 31 March 2019

#### 5 Reserves and surplus

##### Surplus / (Deficit) as per the statement of profit and loss

At the commencement of the year	(2,90,34,773)	(1,85,10,307)
Add: Profit / (Loss) for the year	2,89,527	(1,05,24,466)
At the end of the year	<u>(2,87,45,246)</u>	<u>(2,90,34,773)</u>

#### 6 Long-term borrowings

##### Unsecured:

##### Term loans:

From related parties (refer note below)	15,25,000	15,25,000
	<u>15,25,000</u>	<u>15,25,000</u>

##### Note:

Interest free indian rupee loan from Electrovast Solutions outstanding of Rs 15,25,000 as at 31 March 2020 (Previous year: Rs 15,25,000).

#### 7 Short-term borrowings

##### Secured:

Overdraft facility from bank {refer note (a)}	46,23,052	46,40,754
---	-----------	-----------

##### Unsecured:

Loan from related parties {refer note (b)}	58,24,794	53,74,794
	<u>1,04,47,846</u>	<u>1,00,15,548</u>

##### Notes:

- (a) Overdraft facility from Canara Bank outstanding of Rs. 46,23,052 as at 31 March 2020 (Previous year: Rs 46,40,754) carrying interest of 1Y MCLR + 2.80 spread monthly reset. The loan is primarily secured by hypothecation of stocks and book debts arising out of genuine trade transaction. Age of book debts not older than 90 days for arriving DP. The loan is backed by personal guarantee of Mr. Vinay Uchil, Mr. Sriram Krishnamurthi, Mr. Venkatesh Uchil and Mr. T. Upendra Rao. The facility was last renewed on 06.07.2018.
- (b) Indian rupee unsecured loan from Marine Electricals (India) Limited, the Holding Company, outstanding of Rs. 50,00,000 as at 31 March 2020 (Previous year: Rs. 50,00,000) is repayable on demand. The loan carries interest of 10.00% (Previous year: 10.00%). The balance is inclusive of interest payable of Rs. 8,24,794 as at 31 March 2020 (Previous year: Rs 3,74,794) net of tax deducted at sources.

#### 8 Trade payables

- Total outstanding dues to micro and small enterprises (Refer note 24.6)	13,92,702	-
- Total outstanding dues to other than micro and small enterprises	5,58,51,270	3,87,15,225
	<u>5,72,43,972</u>	<u>3,87,15,225</u>

#### 9 Other current liabilities

Advance from customers	1,17,15,270	98,59,113
Employee dues payable	15,09,579	11,90,672
Accrual for expenses	23,58,390	3,21,797
Statutory dues payable:		
- Tax deducted at source	18,28,701	4,02,712
- Goods and service tax	6,10,706	3,36,275
- Profession tax	79,054	2,710
- Provident fund	7,62,080	-
- Employees state insurance	39,754	-
	<u>1,89,03,534</u>	<u>1,21,13,279</u>

**Eltech Engineers Madras Private Limited**

**Notes to the financial statements**

as at 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

**10 Property, plant and equipments**

	Tangible Assets				Total	Intangible Assets		Total	Grand Total
	Plant and machinery	Computers	Furniture and fixtures	Air Conditioner		Intellectual Property rights	Software		
<b>Gross Block</b>									
At 1 April 2019	77,66,454	23,17,860	5,16,121	1,46,778	1,07,47,213	-	-	-	1,07,47,213
Additions during the year	-	-	9,000	-	9,000	1,00,00,000	10,00,000	1,10,00,000	1,10,09,000
Disposals during the year	-	-	-	-	-	-	-	-	-
At 31 March 2020	77,66,454	23,17,860	5,25,121	1,46,778	1,07,56,213	1,00,00,000	10,00,000	1,10,00,000	2,17,56,213
<b>Depreciation / Amortisation</b>									
At 1 April 2019	39,64,539	22,88,119	4,68,679	89,890	68,11,227	-	-	-	68,11,227
For the year	6,88,147	18,784	13,301	25,639	7,45,871	16,71,233	1,22,523	17,93,756	25,39,627
Disposals during the year	-	-	-	-	-	-	-	-	-
At 31 March 2020	46,52,686	23,06,903	4,81,980	1,15,529	75,57,098	16,71,233	1,22,523	17,93,756	93,50,854
<b>Net block at 31 March 2020</b>	<b>31,13,768</b>	<b>10,957</b>	<b>43,141</b>	<b>31,249</b>	<b>31,99,115</b>	<b>83,28,767</b>	<b>8,77,477</b>	<b>92,06,244</b>	<b>1,24,05,359</b>
<b>Net block at 31 March 2019</b>	<b>38,01,915</b>	<b>29,741</b>	<b>47,442</b>	<b>56,888</b>	<b>39,35,986</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,35,986</b>

	Tangible Assets				Total	Intangible Assets		Total	Grand Total
	Plant and machinery	Computers	Furniture and fixtures	Air Conditioner		Intellectual Property rights	Software		
<b>Gross Block</b>									
At 1 April 2018	77,66,454	23,17,860	5,16,121	1,46,778	1,07,47,213	-	-	-	1,07,47,213
Additions during the year	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-
At 31 March 2019	77,66,454	23,17,860	5,16,121	1,46,778	1,07,47,213	-	-	-	1,07,47,213
<b>Depreciation / Amortisation</b>									
At 1 April 2018	38,61,057	22,37,130	4,68,679	89,890	66,56,756	-	-	-	66,56,756
For the year	1,03,482	50,989	-	-	1,54,471	-	-	-	1,54,471
Disposals during the year	-	-	-	-	-	-	-	-	-
At 31 March 2019	39,64,539	22,88,119	4,68,679	89,890	68,11,227	-	-	-	68,11,227
<b>Net block at 31 March 2019</b>	<b>38,01,915</b>	<b>29,741</b>	<b>47,442</b>	<b>56,888</b>	<b>39,35,986</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,35,986</b>
<b>Net block at 31 March 2018</b>	<b>39,05,397</b>	<b>80,730</b>	<b>47,442</b>	<b>56,888</b>	<b>40,90,457</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,90,457</b>

# Eltech Engineers Madras Private Limited

## Notes to the financial statements

as at 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

31 March 2020      31 March 2019

### 11 Deferred tax assets (net)

The components of deferred tax balances are as follows:

#### (A) Deferred tax assets

Arising on account of timing differences in:

Unabsorbed depreciation / carried forward losses

77,25,182      80,04,750

**Deferred tax assets (A)**

**77,25,182      80,04,750**

#### (B) Deferred tax liability

Arising on account of timing differences in:

Excess of depreciation on property, plant and equipments under income tax laws over depreciation provided in the books

5,04,595      3,25,282

**Deferred tax liability (B)**

**5,04,595      3,25,282**

**Deferred tax assets (net) (A)-(B) \***

**-      -**

\*Deferred tax asset is recognised only to the extent of deferred tax liabilities, as this amount is considered to be virtually certain of realisation. The remaining deferred tax assets of Rs. 72,20,587 (Previous year: Rs 76,79,468) are not recognised, as they are not considered to be virtually certain of realisation.

### 12 Long-term loans and advances

(unsecured, considered good)

#### To related parties

Security deposits

30,000      30,000

#### To others

Security deposits

5,74,228      1,43,613

**6,04,228      1,73,613**

### 13 Inventories

(At cost or net realisable value whichever is lower)

Raw materials

42,62,539      48,64,552

Work-in-progress

32,00,000      33,00,000

Stores, spares and consumables

5,82,160      6,72,037

**80,44,699      88,36,589**

### 14 Trade receivables

(unsecured, considered good)

- Outstanding for a period exceeding six months from the date they became due for payment

1,95,39,269      17,99,000

- Other receivables

1,93,72,835      2,06,97,986

**3,89,12,104      2,24,96,986**

## Eltech Engineers Madras Private Limited

### Notes to the financial statements

as at 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2020	31 March 2019
<b>15 Cash and bank balances</b>		
<i>Cash and cash equivalents</i>		
Cash on hand	51,088	12,253
Bank balances		
- current accounts	15,85,929	5,462
	<u>16,37,017</u>	<u>17,715</u>
<b>16 Short-term loans and advances</b>		
<i>(Unsecured, considered good)</i>		
Advance to suppliers	15,000	1,37,529
Loans and advances to staff	8,000	11,500
Advance tax and tax deducted at source	7,32,695	7,15,285
Prepaid expenses	16,004	9,076
	<u>7,71,699</u>	<u>8,73,390</u>

## Eltech Engineers Madras Private Limited

### Notes to the financial statements

for the year ended 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

	31 March 2020	31 March 2019
<b>17 Revenue from operations</b>		
Sale of products	9,59,69,720	11,22,35,122
Sale of services	9,06,802	1,65,51,753
	<u>9,68,76,522</u>	<u>12,87,86,875</u>
<b>18 Other income</b>		
Interest income	-	68,536
Liabilities no longer required written back	-	77,98,847
	<u>-</u>	<u>78,67,383</u>
<b>19 Cost of materials consumed</b>		
Inventory of materials at the beginning of the year	48,64,552	2,45,97,150
Add: Purchases	6,76,65,477	10,33,30,344
	<u>7,25,30,029</u>	<u>12,79,27,494</u>
Less: Inventory of materials at the end of the year	42,62,539	48,64,552
	<u>6,82,67,490</u>	<u>12,30,62,942</u>
<b>20 Changes in inventories of finished goods and work-in-progress</b>		
<b>Inventories at the end of the year</b>		
Work-in-progress	32,00,000	33,00,000
	<u>32,00,000</u>	<u>33,00,000</u>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	33,00,000	-
	<u>1,00,000</u>	<u>(33,00,000)</u>
<b>21 Employee benefits expense</b>		
Salary, allowances, wages, bonus and other benefits	1,55,58,435	1,75,19,533
Contribution to provident and other funds	12,29,327	9,18,277
Compensated absences	-	12,75,997
Staff welfare expenses	2,66,918	3,72,270
	<u>1,70,54,680</u>	<u>2,00,86,077</u>
<b>22 Finance costs</b>		
Interest expense	10,59,855	8,78,450
Interest on delayed payment of taxes	49,609	50,094
Bank charges	1,80,618	23,283
	<u>12,90,082</u>	<u>9,51,827</u>
<b>23 Other expenses</b>		
Consumption of stores, spares and consumables	1,46,798	-
Rent	36,00,000	18,00,000
Power and fuel	10,09,159	5,71,143
Repairs and maintenance		
- plant and machinery	44,507	70,396
- buildings	11,800	77,059
Rates and taxes	15,450	2,01,009
Insurance	28,788	11,890
Clearing and forwarding charges	4,83,811	7,06,408
Travelling and conveyance	6,14,859	10,19,027
Postage and telephone	70,499	1,25,860
Legal and professional fees	6,17,695	7,16,054
Payment to auditor's (refer note 24.3)	1,00,000	92,030
Housekeeping and security charges	1,69,806	1,32,387
Printing and stationery	34,234	37,661
Miscellaneous expenses	3,87,710	6,62,483
<b>Total</b>	<u>73,35,116</u>	<u>62,23,407</u>

# Eltech Engineers Madras Private Limited

## Notes to the financial statements

for the year ended 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

### 24. Notes to the financial statements

#### 24.1 Contingent liabilities and commitments (to the extent not provided for)

##### a. Contingent liabilities:

###### i) Disputed tax liabilities

Particulars	Period to which relates	31 March 2020	31 March 2019
<b>Income tax</b>			
Disallowances / additions made by the income tax department	A.Y. 2006-07 to A.Y. 2011-12 and A.Y. 2018-19	<b>Rs 20,40,381</b>	-

The management believes that the ultimate outcome of this proceedings will not have a material adverse effect on the Company's financial position and results of operations.

- ii) The Supreme court of India had passed a judgement in the month of February 2019 relating to definition of wages under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Management is of the view that there are interpretative challenges on the application of the judgement. However, the Company is in the process of determining the possible impact and update its provision, if required. The Management does not expect any material impact of the same for financial year 2019-20 based on the present salary structure followed by the Company for its class of employees.

##### b. Commitments:

Estimated amount of capital contracts remaining to be executed and not provided for (net of advances): Rs Nil (Previous year: Rs Nil)

#### 24.2 Details of imported and indigenous raw material consumed during the financial year

Particulars	31 March 2020		31 March 2019	
	Value	% of total consumption	Value	% of total consumption
Imported	-	-	-	-
Indigenous	<b>6,82,67,490</b>	<b>100.00</b>	12,30,62,942	100.00
<b>Total</b>	<b>6,82,67,490</b>	<b>100.00</b>	12,30,62,942	100.00

#### 24.3 Payment to auditor's

Particulars	31 March 2020	31 March 2019
Statutory and tax audit fees	<b>1,00,000</b>	92,030

#### 24.4 Earnings per share (EPS)

Particulars	31 March 2020	31 March 2019
a) Profit / (Loss) after tax attributable to equity shareholders	<b>2,89,527</b>	(1,05,24,466)
b) Basic and diluted earnings per share		
Weighted average number of equity shares during the year	<b>3,00,000</b>	3,00,000
Basic and diluted earnings per share (in rupees)	<b>0.97</b>	(35.08)

# Eltech Engineers Madras Private Limited

## Notes to the financial statements

for the year ended 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

### 24.5 Related party disclosures

#### A) Name of related parties

<b>(i) Ultimate Holding Company</b> KDU Enterprises Private Limited
<b>(ii) Holding Company</b> Marine Electricals (India) Limited
<b>(iii) Other related parties</b>
<b>(a) Partnership firm in which director is partner</b> Electrovast Solutions
<b>(b) Key managerial personnel and relatives</b> Mr. T. Upendra Rao, Wholetime Director Mr. Krishnamurthi Sriram, Director * Mr. Vinay Uchil, Director * Mr. Venkatesh Uchil, Director * Ms. T. Saroja, Wife of Mr. T. Upendra Rao *

\* does not draw any remuneration from the Company.

#### B) Related party transactions during the year

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>a) Rent expense</b>		
Mr. T. Upendra Rao	3,600,000	1,800,000
<b>b) Interest expense</b>		
Marine Electricals (India) Limited	500,000	416,438
<b>c) Purchases</b>		
Marine Electricals (India) Limited	785,054	30,600,482
Electrovast solutions	7,231,377	-
<b>d) Sales</b>		
Marine Electricals (India) Limited	25,530,926	239,052
KDU Enterprises Private Limited	6,200,000	-
<b>e) Loan taken</b>		
Marine Electricals (India) Limited	-	5,000,000
<b>f) Loan written back</b>		
Mr. T. Upendra Rao	-	4,397,838
Ms. T. Saroja	-	3,401,009
<b>g) Managerial remuneration</b>		
Mr. T. Upendra Rao	1,800,000	1,500,000

#### C) Outstanding balances as at year end

Particulars	31 March 2020	31 March 2019
<b>a) Loan payable</b>		
Marine Electricals (India) Limited	5,000,000	5,000,000
Electrovast solutions	1,525,000	1,525,000
<b>b) Interest payable</b>		
Marine Electricals (India) Limited	824,794	374,794
<b>c) Trade payable</b>		
Marine Electricals (India) Limited	17,703,357	17,113,343
Electrovast solutions	1,085,235	-
<b>d) Trade receivables</b>		
Marine Electricals (India) Limited	4,617,374	-
KDU Enterprises Private Limited	7,316,000	-
<b>e) Advance from customers</b>		
Marine Electricals (India) Limited	9,037,400	9,037,400
<b>f) Security deposits receivables</b>		
Mr. T. Upendra Rao	30,000	30,000
<b>g) Managerial remuneration payable</b>		
Mr. T. Upendra Rao	945,000	135,000
<b>h) Rent payable</b>		
Mr. T. Upendra Rao	2,115,000	-

# Eltech Engineers Madras Private Limited

## Notes to the financial statements

for the year ended 31 March 2020

(All amounts are in Indian Rupees, unless otherwise stated)

Face value of shares (in rupees)	10	10
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### 24.6 Due to Micro, Small and Medium Enterprises

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	31 March 2020	31 March 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	13,92,702	-

There are no amounts of interest paid during the year for payments made beyond the appointed day. Also, there is no amount of interest accrued and remaining unpaid as at period end for principal amount outstanding beyond the appointed day.

### 24.7 Leases

The Company has not entered into any finance lease as specified in Accounting Standard (AS) 19 - Leases. The Company has, however, taken commercial premise under operating leases arrangements. During the year, an amount of Rs. 36,00,000 (Previous year: Rs 18,00,000) was recognised as an expense in the statement of profit and loss in respect of operating leases.

### 24.8 Segment reporting

The Company's primary business is designing, manufacturing, trading and servicing of electricals panels, switch boards, power control centers, motor control centers, bus ducts, rising mains, distribution boards and its accessories and presently operates only in India. The Company has only one reportable business segment and has only one reportable geographical segment. Accordingly, these financial statements are reflective of the information required by the Accounting Standard on "Segment Reporting" (AS - 17).

### 24.9 Estimation uncertainty relating to the global health pandemic on COVID-19

The Company's operations were shut down completely in line with the Government directives w.e.f. 25 March 2020 due to Covid-19 pandemic. The Company has evaluated the possible impact of this pandemic on the business operations and the financial position of the Company and based on its initial assessment, believes that there is no significant impact on the financial statements of the Company, as at and for the year ended 31 March 2020. However, the impact assessment of COVID-19 is an on-going process given the uncertainties associated with its nature and duration. Given the uncertainty because of COVID-19, the final impact on the Company's operations may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes resulting from the future economic conditions and future uncertainty, if any.

# Eltech Engineers Madras Private Limited

## **Notes to the financial statements**

*for the year ended 31 March 2020*

(All amounts are in Indian Rupees, unless otherwise stated)

### **24.10 Previous year's figures**

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

As per our report of the even date attached.

For **Saini Pati Shah & Co LLP**

*(formerly known as S G J & CO)*

*Chartered Accountants*

Firm Registration No: 137904W/W100622

**For and on behalf of Board of Directors of  
Eltech Engineers Madras Private Limited**

**Som Nath Saini**

Partner

Membership No: 093079

**Vinay Uchil**

Director

DIN: 01276871

**Venkatesh Uchil**

Director

DIN: 01282671

Mumbai, July 27, 2020