

VI. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / Court]	Appeal made, if any (give details)
COMPANY					
Penalty			None		
Punishment					
Compounding					
DIRECTORS					
Penalty			None		
Punishment					
Compounding					
OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

For and on behalf of the Board of Directors
Electro Force (India) Private Limited

Vinod Ramdas Rao

Vinod Ramdas Rao

Director

DN: 06861940

Add: C 18, JP Nagar-C CHS Ltd,
Station Road Janta Nagar,
Bhayander West, Thane Thane
401101

Rudolf John Corrica

Rudolf John Corrica

Director

DIN: 08333644

Add: H No 252, Prbhatwadi
Papdy, Vasai 401201



Place: Mumbai

Dated: 26/09/2019

A BHUTRA & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITORS' REPORT



TO THE MEMBERS OF
ELECTRO FORCE (INDIA) PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Electro Force (India) Private Limited** ("the Company") which comprises the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and profit and its cash flows for the year ended on that date.

Basis for opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the management discussion & analysis and director's report included in the annual report but does not include the financial statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

When we read the above other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Near Digamber Jain Mandir, Sadar Bazar, GULABPURA - 311021, Distt. Bhilwara (Raj.)

Cont. No. : 92247-02418 (M), E-Mail : alokiram.bhutra@gmail.com



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 and presentation of the financial statements that give a true and fair view of the financial position, financial performance including cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid financial statements;
- (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, the statement of cash flows and dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) on the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (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 A". 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 other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;
- (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company does not have any pending litigations and therefore no impact or disclosure in relation to the same has been made in the financial statement;
 - (ii) the Company does not see any foreseeable losses on long-term contracts as on the balance sheet date and the Company has not entered into any derivative contracts, therefore no provision has been made in relation to the same;
 - (iii) the Company has not declared any dividends either in the current year or during any of the previous years and therefore transferring of the amounts in the Investor Education and Protection Fund by the Company does not arise.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in the paragraph 3 and 4 of the Order.

For and on behalf of

A Bhutra & Associates

Chartered Accountants

Firm Registration Number: 020770C

Alokiram

Alokiram Bhutra

Proprietor

Membership No. : 142786

UDIN : 19142786AAAACD8974

Date : 26/09/2019

Place : Mumbai



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements



external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting

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

Opinion

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

For and on behalf of

A Bhutra & Associates

Chartered Accountants

Firm Registration Number: 020770C

Alokiram Bhutra

Alokiram Bhutra

Proprietor

Membership No. : 142786

UDIN : 19142786AAAACD8974

Date : 26/09/2019

Place : Mumbai



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the statement on the matters specified in the paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a programme of physical verification of its fixed assets by which fixed assets are verified. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) The company does not own any immovable property; therefore this clause is not applicable.
- (ii) According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act and thus paragraph 3(iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities granted by the company.
- (v) The Company has not accepted any deposits from the public and does not have any unclaimed deposit as at March 31, 2019 and therefore, the provisions of clause 3(v) of the Order are not applicable to the company.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been found to be regular in depositing undisputed statutory dues such as provident fund, income tax, sales tax, duty of customs, and other statutory dues as applicable, and no undisputed amounts were outstanding as at March 31, 2019 in respect of the aforesaid dues for a period of more than six months from the date of becoming payable.
- b) According to the records of the Company, and information and explanations given to us there are no dues of income tax, sales tax, service tax, customs duty, excise duty, value added tax, which has not been deposited on account of disputes and are pending.



- (viii) The company does not have any loans or borrowings from bank, financial institutions or government and has not issued any debentures and therefore, the provisions of clause 3 (viii) are not applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration under Section 197 is not applicable to private limited company and therefore paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review under section 42 of the Companies Act, 2013 and therefore paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For and on behalf of

A Bhutra & Associates

Chartered Accountants

Firm Registration Number: 020770C

Alokiram Bhutra

Alokiram Bhutra

Proprietor

Membership No. : 142786

UDIN : 19142786AAAACD8974

Date : 26/09/2019

Place : Mumbai



ELECTRO FORCE (INDIA) PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note	Current Year 31.03.2019 Rs.	Previous Year 31.03.2018 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	5,00,00,000	5,00,00,000
Reserves & Surplus	2	(1,25,20,572)	(1,54,61,229)
		<u>3,74,79,428</u>	<u>3,45,38,771</u>
Share Application Money Pending Allotment			
		-	-
Non Current Liabilities			
Long Term Liabilities	3	8,66,67,641	6,89,19,900
Current Liabilities			
Trade Payables	4	3,31,20,093	1,07,58,283
Other Current Liabilities	5	2,13,85,404	2,34,62,770
Short Term Provisions	6	22,56,041	15,52,795
Total		<u>18,09,08,608</u>	<u>13,92,32,520</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	7	4,67,67,615	4,40,99,763
Intangible Assets	7	5,05,000	5,05,000
Long Term Loans and Advances	8	15,57,021	14,80,899
Current Assets			
Inventories	9	4,97,90,537	3,78,12,863
Trade Receivables	10	6,20,67,265	3,89,93,230
Cash and Cash Equivalents	11	54,37,586	49,92,602
Short Term Loans and Advances	12	1,47,83,583	1,13,48,163
Total		<u>18,09,08,608</u>	<u>13,92,32,520</u>

Notes on Financial Statements
Significant Accounting Policies

1 to 23

As per our report of even date attached

For A BHUTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 020770C

Alokiram Bhutra
Alokiram Bhutra
Proprietor
Membership No. 142786



Place: Mumbai
Date: 26/09/2019

For and on behalf of the Board
ELECTRO FORCE (INDIA) PRIVATE LIMITED

Vinod Ramdas Rao
Vinod Ramdas Rao
Director
DIN - 06861940

Rudolf John Corriea
Rudolf John Corriea
Director
DIN - 08333644

S. N. Acharya
Sweta Acharya
Company Secretary



ELECTRO FORCE (INDIA) PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note	Current Year 31.03.2019 Rs.	Previous Year 31.03.2018 Rs.
Income			
Revenue from Operations	13	18,02,56,362	11,90,69,598
Other Income	14	8,50,142	15,58,378
Total Revenue		18,11,06,504	12,06,27,976
Expenditure			
Cost of Material Consumed	15	13,81,43,692	7,50,03,850
Changes in Inventories of Finished Goods, Stock-in-Process and Scrap	16	(86,43,454)	(73,41,649)
Employee Benefits Expense	17	1,69,32,398	96,24,511
Finance Cost	18	4,19,222	12,57,666
Depreciation & Amortisation	19	97,06,158	88,82,840
Other Expenses	20	2,16,07,830	2,26,13,406
Total Expenses		17,81,65,847	11,00,40,624
Profit before tax		29,40,657	1,05,87,352
Tax Expenses			
Current year		-	-
Deferred Tax		-	-
Earlier Year (s)		-	-
Profit for the year		29,40,657	1,05,87,352

Earnings per Equity share of face value of Rs. 10 each

Basic and Diluted	21	0.59	2.12
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Notes on Financial Statements
 Significant Accounting Policies

1 to 23

As per our report of even date attached

For **A BHUTRA & ASSOCIATES**
Chartered Accountants
 Firm Registration No. 020770C

Alokiram Bhutra
Alokiram Bhutra
 Proprietor
 Membership No. 142786



Place: Mumbai
 Date: 26/09/2019

For and on behalf of the Board
ELECTRO FORCE (INDIA) PRIVATE LIMITED

Vinod Ramdas Rao
Vinod Ramdas Rao
 Director
 DIN - 06861940

Rudolf John Corriea
Rudolf John Corriea
 Director
 DIN - 08333644

Sweta Acharya
Sweta Acharya
 Company Secretary



ELECTRO FORCE (INDIA) PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR 2018-19

Particulars	Current Year 31.03.2019 Rs.	Previous Year 31.03.2018 Rs.
A: Cash Flow from Operating Activities:		
Net Profit before tax as per Statement of Profit and Loss	29,40,657	1,05,87,352
Adjusted for:		
Depreciation and Amortisation Expense	97,06,158	88,82,840
Interest Income	(5,33,235)	(4,90,207)
Finance Costs	4,19,222	12,57,666
	<u>95,92,145</u>	<u>96,42,299</u>
Operating Profit before Working Capital Changes	1,25,32,802	2,02,29,652
Adjusted for:		
Trade and Other Receivables	(2,30,74,036)	70,13,713
Inventories	(1,19,77,674)	(1,03,41,853)
Short Term Loans and Advances	(34,35,420)	(27,82,627)
Trade and Other Payables	2,23,61,811	(12,395)
Other Current Liabilities	(20,77,366)	(1,03,25,749)
Short Term Provisions	7,03,246	5,01,092
	<u>(1,74,99,440)</u>	<u>(1,59,47,819)</u>
Cash Generated from Operations	(49,66,638)	42,81,832
Taxes Paid (net)	-	-
Net Cash Flow from / (used in) Operating Activities	<u>(49,66,638)</u>	<u>42,81,832</u>
B: Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(1,23,74,009)	(9,45,690)
Interest Income	5,33,235	4,98,207
Advance for Purchase of Shares	-	-
Long Term Loans and Advances	(76,122)	(74,936)
Net Cash Flow from / (used in) Investing Activities	<u>(1,19,16,896)</u>	<u>(5,22,419)</u>
C: Cash Flow From Financing Activities:		
Long Term Liabilities (net)	1,77,47,741	(21,40,000)
Finance Costs	(4,19,222)	(12,57,666)
Net Cash Generated from / (Used in) Financing Activities	<u>1,73,28,519</u>	<u>(33,97,666)</u>
Net (Decrease) / Increase in Cash and Cash Equivalents	4,44,985	3,61,747
Opening Balance of Cash and Cash Equivalents	49,92,602	46,30,855
Closing Balance of Cash and Cash Equivalents	<u>54,37,586</u>	<u>49,92,602</u>

As per our report of even date attached

For **A BHUTRA & ASSOCIATES**
Chartered Accountants
Firm Registration No. 020770C

Alokiram Bhutra
Alokiram Bhutra
Proprietor
Membership No. 142786

Place: Mumbai
Date: 26/09/2019



For and on behalf of the Board
ELECTRO FORCE (INDIA) PRIVATE LIMITED

Vinod Ramdas Rao
Vinod Ramdas Rao
Director
DIN - 05861940

Rudolf John Corriea
Rudolf John Corriea
Director
DIN - 08333644

S N Acharya
Sweta Acharya
Company Secretary



ELECTRO FORCE (INDIA) PRIVATE LIMITED

Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2019

A. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the mandatory Accounting Standards as prescribed under section 133 of the companies Act, 2013 (Act) read with Rule 7 of the Companies (accounts) Rules, 2014, and the relevant provisions of the Companies Act 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent.

B. Use of estimates

The preparation of the financial statements is in conformity with Indian GAAP which requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

C. Inventories

Inventories are valued at cost or Market Value, which ever is lower.

D. Depreciation Of Fixed Assets

Depreciation has been provided on written down value method as per Companies Act, 2013. The Management estimates the useful lives for the fixed assets as prescribed in Schedule II to the Companies Act, 2013.

E. Revenue recognition

All Income and Expenditure are accounted for on accrual basis except following expenditure : a) Leave Salary, b) Other Retirement Benefits such as gratuity, pension, etc. and all material known liabilities are provided for on the basis of available informations / estimates.

F. Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

G. Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

H. Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

I. Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year.



ELECTRO FORCE (INDIA) PRIVATE LIMITED

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2019

J. Foreign Currency Translation

Foreign Currency Translation are recorded at the Spot rates on the date of the respective transactions . Exchange Differences arising on foreign exchange transactions settled during the period are recognized in the P&L A/c of the period.

Monetary assets & Liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date ; the resultant exchange differences are recognized in the P& L A/c.

K. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax has not been recognised in this year.

L. Provisions and contingencies

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

M. Events Occuring After Balance Sheet Date

No Significant events which could affect the Financial position as on 31st march 2018, to a material extent have been reported by the assessee, after the balance sheet date till the signing of the report.

N. Segment information pursuant to Accounting Standard (AS-17) "Segment Reporting"

The Company operates in only one segment and therefore, there are no segments that can be reported. Hence, no separate disclosure is made.



ELECTRO FORCE (INDIA) PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Current Year 31.03.2019 Rs.	Previous Year 31.03.2018 Rs.
1. Share Capital		
Authorised Share Capital:		
50,00,000 (Previous Year: 50,00,000) Equity Shares of Rs. 10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, Subscribed and Fully Paid up:		
50,00,000 (Previous Year: 50,00,000) Equity Shares of Rs. 10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Total	<u>5,00,00,000</u>	<u>5,00,00,000</u>

1.1 The reconciliation of the number of shares outstanding is set out below:

Particulars	31.03.2019	31.03.2018
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	50,00,000	50,00,000
Add: Shares issued during the year	-	-
Equity shares at the end of the year	<u>50,00,000</u>	<u>50,00,000</u>

1.2 Rights, Preferences and restrictions attached to Equity shares:

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

1.3 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	31.03.2019	31.03.2018
	No. of Shares % held	No. of Shares % held
Ayesspea Holdings and Investments Private Limited	17,05,000 34.10%	17,05,000 34.10%
P.K.Hospitality Services Private Limited	22,50,000 45.00%	22,50,000 45.00%
Garuda Television Private Limited	9,90,000 19.80%	9,90,000 19.80%

2. Reserve & Surplus

Surplus / (Deficit) in the Statement of Profit and Loss		
As per last Balance Sheet	(1,54,61,229)	(2,60,48,581)
Add: Profit / (Loss) for the year	29,40,657	1,05,87,352
Total	<u>(1,25,20,572)</u>	<u>(1,54,61,229)</u>



ELECTRO FORCE (INDIA) PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Current Year 31.03.2019 Rs.	Previous Year 31.03.2018 Rs.
3. Long Term Liabilities		
Secured	-	-
Unsecured		
From Directors	-	-
From Related Parties	8,66,67,641	6,89,19,900
From Others	-	-
Total	<u>8,66,67,641</u>	<u>6,89,19,900</u>
4. Trade Payables (Unsecured and Considered good)		
Micro, Small and Medium Enterprises	-	-
Others	3,31,20,093	1,07,58,283
Total	<u>3,31,20,093</u>	<u>1,07,58,283</u>
5. Other Current Liabilities		
GST Payable	7,10,000	52,829
TDS & TCS Payable	3,69,774	4,37,787
Current Account Over Drawn	17,81,595	67,63,900
Security Deposits	25,00,000	-
Advances from Customers	1,60,24,035	1,62,08,254
Total	<u>2,13,85,404</u>	<u>2,34,62,770</u>
6. Short Term Provisions		
Employee Benefits Payable	14,36,041	7,32,795
Audit Fees Payable	1,00,000	1,00,000
Expenses Payable	7,20,000	7,20,000
Total	<u>22,56,041</u>	<u>15,52,795</u>



ELECTRO FORCE (INDIA) PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

7. Fixed Assets

(All figures in Rs.)

Particulars	Gross Block			Depreciation / Amortisation			Net Block			
	As on 01.04.2018	Additions	Deductions / Adjustments	As on 31.03.2019	Upto 01.04.2018	For the Year	Deductions / Adjustments	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Tangible Assets:										
Plant and Machinery	10,85,70,197	-	-	10,85,70,197	6,62,04,341	80,39,331	-	7,42,43,672	3,43,26,525	4,23,65,856
Factory Equipment	31,99,507	2,51,959	-	34,51,467	27,10,361	1,92,425	-	29,02,786	5,48,681	4,89,146
Office Equipment	20,94,211	-	-	20,94,211	18,55,358	76,659	-	19,32,017	1,62,194	2,38,853
Motor Vehicles	2,56,025	-	-	2,56,025	2,21,819	9,557	-	2,31,376	24,649	34,206
Furniture & Fixture	57,95,983	1,21,22,050	-	1,79,18,033	48,76,600	13,68,431	-	62,45,031	1,16,73,002	9,19,383
Computers and Printers	12,33,354	-	-	12,33,354	11,81,035	19,755	-	12,00,790	32,564	52,319
Sub-Total	12,11,49,277	1,23,74,009	-	13,35,23,287	7,70,49,514	97,06,158	-	8,67,55,672	4,67,67,615	4,40,99,763
Intangible Assets:										
Trade Mark	1,01,00,000	-	-	1,01,00,000	95,95,000	-	-	95,95,000	5,05,000	5,05,000
Sub-Total	1,01,00,000	-	-	1,01,00,000	95,95,000	-	-	95,95,000	5,05,000	5,05,000
Total	13,12,49,277	1,23,74,009	-	14,36,23,287	8,66,44,513	97,06,158	-	9,63,50,671	4,72,72,615	4,46,04,764
Previous Year	12,09,50,570	1,02,96,707	-	13,12,49,277	7,77,61,673	88,82,840	-	8,66,44,513	4,46,04,764	4,31,88,897



ELECTRO FORCE (INDIA) PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Current Year 31.03.2019 Rs.	Previous Year 31.03.2018 Rs.
8. Long Term Loans and Advances (Unsecured and Considered good)		
Security Deposits	15,57,021	14,80,899
Total	<u>15,57,021</u>	<u>14,80,899</u>
9. Inventories		
Raw Materials	1,42,87,392	1,09,34,330
Stock-in-Process	42,31,358	74,48,176
Finished Goods	2,91,67,920	1,63,73,840
Stores and Spares	6,51,775	6,70,617
Scrap	14,52,092	23,85,900
Total	<u>4,97,90,537</u>	<u>3,78,12,863</u>
9.1 Valuation of Inventories are as Valued and Certified by the Management		
10. Trade Receivables (Unsecured and Considered good)		
Debts outstanding for a period exceeding 6 months	60,28,010	31,54,456
Other debts	5,60,39,255	3,58,38,774
Total	<u>6,20,67,265</u>	<u>3,89,93,230</u>
11. Cash & Cash Equivalents		
Cash on Hand	54,967	13,772
Balances with Banks		
In Current Accounts	-	-
As Fixed Deposits	53,82,619	49,78,830
Total	<u>54,37,586</u>	<u>49,92,602</u>
12. Short Term Loans & Advances (Unsecured and Considered good)		
Balance with Central Excise Authorities (Net) / IGST Receivable (Sex)	1,12,290	1,12,290
Advance Income Tax (Net of Provision)	60,403	88,591
MAT Credit	27,84,387	6,25,747
Business Advances	39,25,443	61,48,815
Loans to Employees	68,000	71,000
Prepaid Expenses	13,816	93,368
Advances to Suppliers	78,19,244	42,08,352
Total	<u>1,47,83,583</u>	<u>1,13,48,163</u>



ELECTRO FORCE (INDIA) PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Current Year 31.03.2019 Rs.	Previous Year 31.03.2018 Rs.
13. Revenue From Operations		
Sale of Products	18,02,56,362	11,90,69,598
Total	18,02,56,362	11,90,69,598
14. Other Income		
Interest Income	5,33,235	4,98,207
Discount Received	66,152	35,900
Balances no longer payable written back	45,223	4,54,114
Tool Amortization	-	4,04,556
Exchange Rate Difference	2,05,532	1,65,602
Total	8,50,142	15,58,378
15. Cost of Materials Consumed		
Purchases	14,14,96,754	7,81,78,434
	14,14,96,754	7,81,78,434
Add: Opening Stock of Raw Materials	1,09,34,330	77,59,746
Less: Closing Stock of Raw Materials	1,42,87,392	1,09,34,330
Total	13,81,43,692	7,50,03,850
16. Changes in Inventories of Finished Goods, Stock-in-Process and Scrap		
Inventories (at close)		
Finished Goods	2,91,67,920	1,63,73,840
Stock-in-Process	42,31,358	74,48,176
Scrap	14,52,092	23,85,900
	3,48,51,370	2,62,07,916
Inventories (at commencement)		
Finished Goods	1,63,73,840	1,30,53,128
Stock-in-Process	74,48,176	26,43,647
Scrap	23,85,900	31,69,492
	2,62,07,916	1,88,66,267
Total	(86,43,454)	(73,41,649)
17. Employee Benefits Expense		
Salaries and Wages	1,51,10,504	74,83,396
Director's Remuneration	-	5,00,000
Contribution to Provident and Other Funds	3,86,961	3,26,561
Staff Welfare Expenses	14,34,933	13,14,554
Total	1,69,32,398	96,24,511



ELECTRO FORCE (INDIA) PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Current Year 31.03.2019	Previous Year 31.03.2018
18. Finance Cost		
BG Commission	4,19,222	12,57,666
Total	4,19,222	12,57,666
19. Depreciation and Amortisation Expense		
Depreciation and Amortisation	97,06,158	88,82,840
Total	97,06,158	88,82,840
20. Other Expenses		
Manufacturing Expenses		
Consumption of Stores and Spares	2,82,745	4,59,061
Electric, Power, Fuel and Water	14,06,092	12,41,721
Labour Processing and Machinery Hire Charges	1,26,89,722	1,61,29,843
Repairs to Machinery	3,90,451	5,02,582
	1,47,69,010	1,83,33,208
Selling and Distribution Expenses		
Freight and Forwarding Expenses	13,62,216	9,41,845
Discounts given	8,998	-
	13,71,214	9,41,845
Establishment Expenses		
Professional Fees	33,33,434	11,33,105
General Expenses	15,71,179	17,14,002
Insurance Expenses	1,67,291	1,32,680
EPCG License Expenses	-	71,222
RDC Fees	7,800	30,000
Rates and Taxes	2,87,903	1,57,344
Payment to Auditors	1,00,000	1,00,000
	54,67,607	33,38,353
Total	2,16,07,830	2,26,13,406
20.1 Payment to Auditor as:		
Statutory Audit Fees	75,000	75,000
Tax Audit Fees	25,000	25,000
	1,00,000	1,00,000



ELECTRO FORCE (INDIA) PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	Current Year 31.03.2019	Previous Year 31.03.2018
21. Earning Per Share (EPS)		
i) Net Profit after tax as per Statement of Profit and Loss attributable Equity Share holders (Rs.)	29,40,657	1,05,87,352
ii) Weighted Average number of Equity Shares used as denominator for calculating EPS	50,00,000	50,00,000
iii) Basic and Diluted Earnings per share (Rs.)	0.59	2.12
iv) Face Value per Equity Share (Rs.)	10.00	10.00
22. Contingent Liabilities and Commitments		
(I) Contingent Liabilities (to the extent not provided for)		
a Bank Guarantees opened with banks	1,39,74,074	1,39,74,074
b Custom Duty payable against Export Obligation	1,39,74,074	1,39,74,074
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		



ELECTRO FORCE (INDIA) PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2019

23. Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

- i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Mrs. Jyotsna Agarwal*	Key Managerial Personnel (KMP)
2	Mr. Ram Niranjan Bhutra**	
3	Ms. Sweta Acharya	
4	Mr. Rudolf John Cornea#	
5	Mr. Vinod Ramdas Rao##	
6	Mr. Pravin Kumar Agarwal	Relatives of KMP
7	Mrs. Khushbu Bhutra	
8	Ayesspea Holdings and Investments Private Limited	Enterprises over which Key Managerial Personnel (KMP) are able to exercise influential control / Companies under Same Management
9	P.K.Hospitality Services Private Limited	
10	Garuda Aviation Services Private Limited	
11	Makindian Foods Private Limited	
12	Yash Vikram Infrastructure Private Limited	
13	Garuda Television Private Limited	
14	Garuda Construction and Engineering Private Limited	
15	Aroma Coffees Private Limited	
16	Electroplast (India) Private Limited	
17	Gallic Electro Technologies Private Limited	
18	Artemis Electricals Limited	
19	Golden Chariot Hospitality Service Private Limited	
20	Artemis Opto Electronic Technologies Private Limited	

* Date of Resignation - 02/07/2019

Date of Appointment - 29/03/2019

** Date of Resignation - 01/06/2019

Date of Appointment - 01/07/2019



ELECTRO FORCE (INDIA) PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2019

ii) Transactions during the year with related parties:

Sr. No.	Nature of Transactions	Key Managerial Personnel and their Relatives	Companies under Same Management	Total
1	Sale of Items and Services (Net of Returns)	-	39,19,993	39,19,993
2	Purchase of Items and Services (Net of Returns)	-	<i>54,71,248</i>	<i>54,71,248</i>
3	Net Loans and Advances taken / (repaid)	-	3,07,63,010	3,07,63,010
4	Net Loans and Advances paid / (received back)	-	<i>14,85,917</i>	<i>14,85,917</i>
5	Professional Fee and Remuneration Paid	-	2,02,47,741	2,02,47,741
		-	<i>(21,40,000)</i>	<i>(21,40,000)</i>
		10,00,000	(32,24,572)	(22,24,572)
		-	-	-
		24,63,700	-	24,63,700
		<i>10,61,450</i>	-	<i>10,61,450</i>
Balance as at 31st March, 2019				
6	Trade Receivables	-	54,85,748	54,85,748
7	Trade and other Payables	-	<i>45,09,061</i>	<i>45,09,061</i>
8	Business Advances Received	8,82,000	21,07,590	29,89,590
9	Business Advances Given	<i>7,20,000</i>	<i>71,381</i>	<i>7,91,381</i>
		-	8,91,67,641	8,91,67,641
		-	<i>6,89,19,900</i>	<i>6,89,19,900</i>
		10,00,000	94,75,637	1,04,75,637
		-	1,03,70,012	1,03,70,012

Note: Figures in italic represents Previous Year's amounts.

As per our report of even date attached
For A BHUTRA & ASSOCIATES
Chartered Accountants
Firm Registration No. 020770C

Alokiram
Alokiram Bhutra
Proprietor
Membership No. 142786



Place: Mumbai
Date: 26/09/2019

For and on behalf of the Board
ELECTRO FORCE (INDIA) PRIVATE LIMITED

Vinod Ramdas Rao
Vinod Ramdas Rao
Director
DIN - 06861940

Rudolf John Corriea
Rudolf John Corriea
Director
DIN - 08333644

Sweta Acharya
Sweta Acharya
Company Secretary

