

ARVIND RAMAN & CO.



CHARTERED ACCOUNTANTS

109, JAWAHAR NAGAR, GOREGAON WEST, MUMBAI - 400062
Ph.:022-28724469, 9324387804 E-mail: vijaydhanak@hotmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Dowells Cable Accessories Private Limited

Report on Ind AS Financial Statements

1. We have audited the accompanying financial statements of Dowells Cable Accessories Private Limited (the company), having CIN: U28910MH2015PTC270585 which comprises the Balance Sheet as at 31st March 2021 and the Statement of Profit and Loss, including the statement of other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Managements Responsibility for Ind AS financial statements

2. The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, Financial Performance including other comprehensive Income, Cash Flows and the Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 of these Ind AS financial statements, the management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern basis of accounting unless management either intends to liquidate the Company or to cease the operation, or to cease operations, or has no realistic alternative but to do so.

That the Board of Directors is also responsible for overseeing the company's financial reporting process.

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Auditors Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2021 and its profit including other comprehensive income, its Cash Flows and the Statement of changes in Equity for the year ended on that date.

Report on other legal and regulatory requirements

7. 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 Companies

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Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

8. 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 including other comprehensive income, the cash flow statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements dealt with by this report are in compliance with the Accounting Standards specified under section 133 of the Companies Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
 - e. On the basis of written representation received from the Directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as director in terms of section 164 (2) of the Companies Act, 2013.
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g. 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 which have any impact on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s Arvind Raman & Co.

Chartered Accountants

Firm Registration Number 100594W

Vijay Mathuradas
Dhanak

Digitally signed by Vijay
Mathuradas Dhanak
Date: 2021.04.25 18:13:55
+05'30'

Partner

Registration Number: 38119

Place of signature: Mumbai

Date: 25th April 2021

UDIN: 21038119AAAAWL7154

ARVIND RAMAN & CO.



CHARTERED ACCOUNTANTS

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Ph.:022-28724469, 9324387804 E-mail: vijaydhanak@hotmail.com

ANNEXURE A TO THE AUDITOR'S REPORT

The Annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March 2021, we report that:

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. 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 property. Hence verification of the title deeds of same is not applicable.
- ii. The company has conducted physical verification of inventories as at year end. In our opinion, the frequency of verification is reasonable. Inventories lying with third parties have been confirmed by the company.
- iii. The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- 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 Act, with respect to the loans and Investments made.
- v. The company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi. We are informed that the Central Government has not prescribed for maintenance of cost records under section 148 of the Act in respect of the company's Activity.
- 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 provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess, GST and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no duty of customs, income tax, sales tax, duty of excise, service tax, value added tax & GST which have not been deposited with the appropriate authorities on account of any dispute

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- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 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. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give 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.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For M/s Arvind Raman & Co.

Chartered Accountants

Firm Registration Number 100594W

Vijay Mathuradas
Dhanak

Digitally signed by Vijay
Mathuradas Dhanak
Date: 2021.04.25 18:14:58 +05'30'

Partner

Registration Number: 38119

Place of signature: Mumbai

Date: 25th April 2021

UDIN: 21038119AAAOWL7154

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ANNEXURE B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of Dowells Cable Accessories Private Limited as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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 for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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(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, 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 2021, 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 M/s Arvind Raman & Co.

Chartered Accountants

Firm Registration Number 100594W

Vijay

Mathuradas

Dhanak

Partner

Registration Number: 38119

Place of signature: Mumbai

Date: 25th April 2021

UDIN: 21038119AAAAWL7154

Digitally signed by Vijay
Mathuradas Dhanak
Date: 2021.04.25
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DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

Balance sheet as at 31 March 2021

(All amounts in Rs unless otherwise stated)

Particulars

ASSETS

Non-current assets

Property, plant and equipment	3	3,14,29,534	3,02,70,027
Capital work-in-progress	3	-	18,16,000
Right of use Assets	4	1,28,27,076	2,56,746
Intangible Assets	5	4,48,13,466	-
Financial assets	6	-	1,08,240
Income tax assets (Net)		-	-
Other non-current assets	7	19,25,000	2,60,000

Current assets

Inventories	8	8,88,66,520	7,91,39,614
Financial assets	9		
a) Trade receivables		8,36,75,167	5,27,32,922
b) Cash and cash equivalents		84,80,565	95,36,572
c) Loans		53,600	53,600
Other current assets	10	41,83,736	5,08,21,236

Total Assets

18,52,59,589
27,62,54,665

19,22,83,944
22,49,94,957

EQUITY AND LIABILITIES

Equity

Equity Share Capital	11	9,00,00,000	9,00,00,000
Other Equity	12	11,15,35,709	5,21,39,499

20,15,35,709

14,21,39,499

Liabilities

Non-current liabilities:

Deferred tax liabilities (net)	13	22,41,349	9,32,048
Other Financial liabilities	14	58,27,609	-

80,68,958

9,32,048

Current liabilities:

Financial liabilities	14		
a) Borrowings		-	44,69,454
b) Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		2,87,10,245	26,63,765
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,12,00,558	6,89,00,382
c) Other current financial liabilities		80,26,764	8,15,000
Other current liabilities	15	48,91,991	20,77,223
Current tax liabilities (net)	16	38,20,439	29,97,585

6,66,49,997

8,19,23,410

Total Equity and liabilities

27,62,54,665

22,49,94,957

Corporate Information and Summary of significant accounting policies

Contingent liabilities and Commitments

Other Notes to Accounts

1 & 2

27

3 to 30

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For ARVIND RAMAN & CO.

Chartered Accountants

FRN : 100594W

Vijay
Mathuradas
Dhanak

Digitally signed by Vijay
Mathuradas Dhanak
Date: 2021.04.25
18:18:12 +05'30'

per V. M. Dhanak

Partner

Membership No. 38119

Place: Mumbai

Date: 25th April 2021

For and on behalf of the Board of Directors of

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

INDER
THAKURDAS
JAISINGHANI

Digitally signed by Inder
Thakurdas Jaisinghani
Date: 2021.04.25
18:20:59 +05'30'

I. T. Jaisinghani

Chairman

DIN : 00309108

Place: Mumbai

Date: 25th April 2021

Jayantibhai
Shankerbhai
Patel

Digitally signed by
Jayantibhai
Shankerbhai Patel
Date: 2021.04.25
12:46:59 +05'30'

J. S. Patel

Managing Director

DIN : 02829263

Place: Mumbai

Date: 25th April 2021

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

Statement of Profit and Loss for the Year ended 31 March 2021

(All amounts in Rs unless otherwise stated)

Particulars	Notes	Quarter Ended 31 Mar 21	Quarter Ended 31 Mar 20	Year Ended 31 Mar 21	Year Ended 31 Mar 20
INCOME					
Revenue from operations	17	15,03,64,021	8,20,89,919	42,45,38,689	36,00,09,248
Other income	18	(286)	(19,293)	5,578	90,999
Total Income		15,03,63,735	8,20,70,625	42,45,44,267	36,01,00,246
Expenses					
Cost of materials consumed	19	5,40,42,633	2,44,63,568	13,96,71,047	11,18,11,219
Purchases of traded goods	20	5,31,65,194	2,55,29,365	13,85,73,276	12,07,53,613
Changes in Inventories of finished goods, traded goods and work-in-progress	21	(1,45,72,712)	(94,89,327)	(63,02,622)	67,08,300
Employee benefits expense	22	44,69,968	48,52,607	1,61,67,420	1,38,48,339
Other expenses	23	1,43,03,094	2,36,81,037	4,29,80,634	5,34,53,081
Finance cost	24	8,56,962	1,88,487	20,38,261	13,49,298
Depreciation and amortisation expense	25	39,12,918	17,47,808	1,12,42,924	70,11,867
Total Expenses		11,61,78,057	7,09,73,545	34,43,70,940	31,49,35,717
Profit before tax		3,41,85,678	1,10,97,080	8,01,73,327	4,51,64,529
Income tax expenses					
Current tax		81,88,095	31,42,000	1,94,67,815	1,11,52,000
Deferred tax (credit)/charge		9,41,275	(8,30,698)	13,09,301	(2,65,178)
Previous Years Tax		-	1,14,118	-	1,14,118
Total tax expense		91,29,371	24,25,420	2,07,77,117	1,10,00,940
Profit for the year		2,50,56,308	86,71,660	5,93,96,211	3,41,63,589
Other Comprehensive Income					
Other comprehensive income for the year, net of tax		-	-	-	-
Total Comprehensive Income for the year, net of tax		2,50,56,308	86,71,660	5,93,96,211	3,41,63,589
Earnings per share					
Basic (₹)	26	2.78	0.96	6.60	3.80
Diluted (₹)	26	2.78	0.96	6.60	3.80
Weighted average equity shares used in computing earnings per equity share					
Basic (₹)	26	90,00,000	90,00,000	90,00,000	90,00,000
Diluted (₹)	26	90,00,000	90,00,000	90,00,000	90,00,000
Corporate Information and summary of significant accounting policies	1 & 2				
Contingent liabilities and Commitments	27				
Other Notes to Accounts	3 to 30				

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **ARVIND RAMAN & CO.**

Chartered Accountants

FRN : 100594W

Vijay Mathuradas
Mathuradas Dhanak
Dhanak
Date: 2021.04.25
18:19:24 +05'30'

per **V. M. Dhanak**

Partner

Membership No. 38119

Place: Mumbai

Date: 25th April 2021

For and on behalf of the Board of Directors of
DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

INDER
THAKURDAS
JAISINGHANI

I. T. Jaisinghani

Chairman

DIN : 00309108

Place: Mumbai

Date: 25th April 2021

Jayantibhai
Shankerbhai
Patel

J. S. Patel

Managing Director

DIN : 02829263

Place: Mumbai

Date: 25th April 2021

Digitally signed by
Jayantibhai Shankerbhai
Patel
Date: 2021.04.25 12:48:19
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DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in Rs unless otherwise stated)

Particulars

As at 01 April 2019
Impact on account of Ind AS 116
Restated balance as at 1 April 2019
Profit after tax for the Twelve month period ended 31 March 2020
As at 31 March 2020
Profit after tax for the year ended 31 March 2021
As at 31 March 2021

Retained earnings	Total other equity
2,12,28,656	2,12,28,656
32,52,746	32,52,746
1,79,75,910	1,79,75,910
3,41,63,589	3,41,63,589
5,21,39,499	5,21,39,499
5,93,96,211	5,93,96,211
11,15,35,709	11,15,35,709

Corporate Information and Summary of significant accounting policies 1 & 2
Contingent liabilities and Commitments 27
Other Notes to Accounts 3 to 30

The accompanying notes are an integral part of the interim financial statements.

As per our report of even date

For ARVIND RAMAN & CO.

Chartered Accountants

FRN : 100594W

Vijay Mathuradas Mathuradas Dhanak
Digitally signed by Vijay Mathuradas Dhanak
Date: 2021.04.25
18:20:47 +05'30'

per V. M. Dhanak
Partner
Membership No. 38119

Place: Mumbai
Date: 25th April 2021

For and on behalf of the Board of Directors of
DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

INDER THAKURDAS JAISINGHANI
Digitally signed by Inder Thakurdas Jaisinghani
Date: 2021.04.25 12:49:17 +05'30'

I. T. Jaisinghani
Chairman
DIN : 00309108

Place: Mumbai
Date: 25th April 2021

Jayantibhai Shankerbhai Patel
Digitally signed by Jayantibhai Shankerbhai Patel
Date: 2021.04.25 12:49:17 +05'30'

J. S. Patel
Managing Director
DIN : 02829263

Place: Mumbai
Date: 25th April 2021

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Statement Of Cash Flows for the Year ended 31 March 2021

(All amounts in Rs unless otherwise stated)

Particulars

A. CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax

Adjustments to reconcile profit before tax to net cash flows:

Depreciation and amortisation expense

Finance income

Interest and other finance cost

Impairment allowance for trade receivable considered doubtful

Operating profit before working capital changes

Movements in working capital:

Trade receivables

Inventories

Non-financial assets

Financial assets

Trade Payables

Non-financial liabilities

Financial liabilities

Cash generated from operations

Income tax paid (including TDS) (net)

Net cash flows from operating activities (A)

B. CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment (including Capital work in progress) including Intangible asset

Capital Advances

Interest received (finance income)

Net cash flows from / (used in) investing activities (B)

C. CASH FLOWS FROM FINANCING ACTIVITIES

Interest and other finance cost paid

Repayment of long term borrowings

Repayment to Lease Liability

Net cash flows from / (used in) financing activities (C)

Net increase / (decrease) in cash and cash equivalents (A+B+C)

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the period end -Refer Note 8(B)

Corporate Information and Summary of significant accounting policies

Contingent liabilities and Commitments

Other Notes to Accounts

	Period ended 31 March 2021	Period ended 31 March 2020
Profit before tax	8,01,73,327	4,51,64,529
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	1,12,42,924	70,11,867
Finance income	(5,578)	(59,972)
Interest and other finance cost	20,38,261	13,49,298
Impairment allowance for trade receivable considered doubtful	9,77,086	1,07,320
Operating profit before working capital changes	9,44,26,020	5,35,73,042
Movements in working capital:		
Trade receivables	(3,19,19,331)	49,45,125
Inventories	(97,26,906)	23,72,393
Non-financial assets	21,83,038	(91,06,395)
Financial assets	1,13,818	2,56,08,063
Trade Payables	(2,16,53,345)	(4,55,70,093)
Non-financial liabilities	28,14,768	6,43,088
Financial liabilities	2,25,000	5,75,000
Cash generated from operations	3,64,63,061	3,30,40,225
Income tax paid (including TDS) (net)	(1,91,90,499)	(82,68,533)
Net cash flows from operating activities (A)	1,72,72,562	2,47,71,692
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including Capital work in progress) including Intangible asset	(44,99,238)	(22,71,042)
Capital Advances	(16,65,000)	
Interest received (finance income)		67,222
Net cash flows from / (used in) investing activities (B)	(61,64,238)	(22,03,820)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest and other finance cost paid	(7,51,877)	(13,49,298)
Repayment of long term borrowings	(44,69,454)	(69,73,549)
Repayment to Lease Liability	(69,43,000)	(63,33,758)
Net cash flows from / (used in) financing activities (C)	(1,21,64,331)	(1,46,56,605)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(10,56,007)	79,11,266
Cash and cash equivalents at the beginning of the year	95,36,572	16,25,306
Cash and cash equivalents at the period end -Refer Note 8(B)	84,80,565	95,36,572
Corporate Information and Summary of significant accounting policies	1 & 2	
Contingent liabilities and Commitments	27	
Other Notes to Accounts	3 to 30	

Notes:-

- Figures in brackets indicates outflows.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For ARVIND RAMAN & CO.

Chartered Accountants

FRN : 100594W

Vijay Mathuradas
 Mathuradas Dhanak
 Dhanak
 Digitally signed by Vijay Mathuradas Dhanak
 Date: 2021.04.25 18:22:16 +05'30'

per V. M. Dhanak

Partner

Membership No. 38119

Place: Mumbai

Date: 25th April 2021

For and on behalf of the Board of Directors of

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

INDER
 THAKURDAS
 JAISINGHANI
 Digitally signed by Inder Thakurdas Jaisinghani
 Date: 2021.04.25 14:40:28 +05'30'

I. T. Jaisinghani

Chairman

DIN : 00309108

Place: Mumbai

Date: 25th April 2021

Jayantibhai
 Shankerbhai
 Patel
 Digitally signed by Jayantibhai Shankerbhai Patel
 Date: 2021.04.25 12:50:15 +05'30'

J. S. Patel

Managing Director

DIN : 02829263

Place: Mumbai

Date: 25th April 2021

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

3: Property, plant and equipment & CWIP

The changes in the carrying value of Property, plant and equipment for the period ended 31 March 2021 are as follows:

(All amounts in Rs unless otherwise stated)

	Plant & Machinery	Dies & Fixtures	Electric Fan	Factory Equipment	Laboratory Equipment	Office Equipment	Furniture & Fixtures	Vehicle	Data Processing Machines	Total	Capital Work in Progress
Gross carrying value (at cost)											
As at 31st March 2019	2,90,74,923.00	61,94,373.00	87,494.00	2,88,338.00	5,11,923.00	67,779.00	8,29,800.00	-	2,03,087.00	3,72,57,717.00	85,93,282.00
Additions	7,03,334.00	90,000.00	6,000.00	54,000.00	8,100.00	15,600.00	45,000.00	12,28,708.00	1,20,300.00	22,71,042.00	-
Transfer	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustment	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	2,97,78,257.00	62,84,373.00	93,494.00	3,42,338.00	5,20,023.00	83,379.00	8,74,800.00	12,28,708.00	3,23,387.00	3,95,28,759.00	18,16,000.00
Additions	38,38,759.50	7,80,000.00	12,342.00	-	-	83,336.00	-	-	2,50,800.00	49,65,237.50	-
Transfer	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustment	-	-	-	-	-	-	-	-	-	-	18,16,000.00
At 31 March 2021	3,36,17,016.50	70,64,373.00	1,05,836.00	3,42,338.00	5,20,023.00	1,66,715.00	8,74,800.00	12,28,708.00	5,74,187.00	4,44,93,996.50	-
Accumulated depreciation											
As at 31st March 2019	27,27,671.00	24,06,481.00	5,902.00	14,769.00	54,690.00	8,846.00	19,358.00	-	90,160.00	53,27,877.00	-
Depreciation charge for the period	18,47,217.90	18,00,027.53	8,817.11	21,276.03	49,181.61	15,497.14	81,382.60	36,481.98	70,972.80	39,30,854.70	-
Disposals/Adjustment	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2020	45,74,888.90	42,06,508.53	14,719.11	36,045.03	1,03,871.61	24,343.14	1,00,740.60	36,481.98	1,61,132.80	92,58,731.70	-
Depreciation charge for the period	18,94,201.32	14,69,240.52	10,176.89	21,681.56	49,375.89	23,348.69	81,818.00	1,45,882.75	1,10,004.84	38,05,730.46	-
Disposals/Adjustment	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2021	64,69,090.22	56,75,749.05	24,896.00	57,726.59	1,53,247.50	47,691.83	1,82,558.60	1,82,364.73	2,71,137.64	1,30,64,462.16	-
Net Book Value											
At 31 March 2021	2,71,47,926.28	13,88,623.95	80,940.00	2,84,611.41	3,66,775.50	1,19,023.17	6,92,241.40	10,46,343.27	3,03,049.36	3,14,25,534.34	-
As at 31 March 2020	2,52,03,368.10	20,77,864.47	78,774.89	3,06,292.97	4,16,151.39	59,035.86	7,74,059.40	11,92,226.02	1,62,254.20	3,02,70,027.30	18,16,000.00

Notes:-

(i) Depreciation on Property, plant and equipments is calculated on pro rata basis on straight line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013 except in case of Dies & Fixtures where useful life is different than those prescribed in Schedule II

(ii) Direct capitalisation of Property, Plant and Equipment's during the year are given as under:

	Plant & Machinery	Dies & Fixtures	Electric Fan	Factory Equipment	Laboratory Equipment	Office Equipment	Furniture & Fixtures	Vehicle	Data Processing Machines	Total
FY 2020-21	38,38,759.50	7,80,000.00	12,342.00	-	-	83,336.00	-	-	2,50,800.00	49,65,237.50
FY 2019-20	7,03,334.00	90,000.00	6,000.00	54,000.00	8,100.00	15,600.00	45,000.00	12,28,708.00	1,20,300.00	22,71,042.00

(iii) The carrying value of Capital Work in Progress (CWIP) as at 31 March 2020 was ₹ 18,16,000 comprises of Dies.

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

4: Right of Use assets

Following are the changes in the carrying value of right of use for the year ended 31 March 2021

(All amounts in Rs unless otherwise stated)

	31 March 2021
Gross Carrying Value	
As at 1 April 2020	92,43,006
Additions during the period	1,84,70,989
Disposals	(92,43,006)
As at 31 March 2021	1,84,70,989
Accumulated depreciation	
As at 1 April 2020	89,86,260
Depreciation charge for the period	59,00,659
Disposals	(92,43,006)
As at 31 March 2021	56,43,913
Net carrying value	
As at 31 March 2021	1,28,27,076

Following are the changes in the carrying value of right of use for the year ended 31 March 2020

	31 March 2020
Gross Carrying Value	
As at 1 April 2019	92,43,006
Additions during the period	-
Disposals	-
As at 31 March 2020	92,43,006
Accumulated depreciation	
As at 1 April 2019	59,05,244
Depreciation charge for the period	30,81,016
Disposals	-
As at 31 March 2020	89,86,260
Net carrying value	
As at 31 March 2020	2,56,746

The following is the break-up of current and non-current lease liabilities:

	31 March 2021	31 March 2020
Non-current lease liabilities	58,27,609	-
Current lease liabilities	75,16,764	5,30,000
	1,33,44,373	5,30,000

The following is the movement in lease liabilities:

	31 March 2021	31 March 2020
As at 01 April 2020	5,30,000	65,90,504
Additions	1,84,70,989	-
Finance cost accrued during the year	12,86,384	2,99,497
Deletions	-	(1)
Payment of lease liabilities	(69,43,000)	(63,60,000)
	1,33,44,373	5,30,000

The following are the amounts recognised in profit or loss:

	31 March 2021	31 March 2020
Depreciation expense of right-of-use assets	59,00,659	30,81,016
Interest expense on lease liabilities	12,86,384	2,99,497
	71,87,043	33,80,513

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

5: Intangible Assets

Following are the changes in the carrying value of right of use for the year ended 31 March 2021

	Brand
Gross Carrying Value	
As at 1 April 2020	-
Additions during the period	4,63,50,000
As at 31 March 2021	4,63,50,000
Accumulated depreciation	
As at 1 April 2020	-
Depreciation charge for the period	15,36,534
As at 31 March 2021	15,36,534
Net carrying value	
As at 31 March 2021	4,48,13,466

6: Non-current financial assets

	31 March 2021	31 March 2020
Margin Money *	-	1,00,600
Interest Accrued but not Due on Margin Money	-	7,640
	-	1,08,240

* Margin money against Performance bank guarantee

Non-current income tax assets (Net)

	31 March 2021	31 March 2020
Advance income-tax (net of provision for taxation)	-	-

The movement in the income tax assets:

	31 March 2021	31 March 2020
Net current tax asset / (liability) at the beginning	(29,97,585)	8,99,238
Income tax Paid	1,86,44,961	81,12,195
Refund received	-	(7,42,900)
Current tax expense	(1,94,67,815)	(1,12,66,118)
Net current tax asset / (liability) at the end	(38,20,439)	(29,97,585)

7: Other non-current assets

	31 March 2021	31 March 2020
Capital Advance	19,05,000	2,40,000
Balances with Statutory/Government authorities	20,000	20,000
	19,25,000	2,60,000

8: Inventories (Net)

	31 March 2021	31 March 2020
Raw materials	1,89,84,896	1,86,53,965
Stock In Trade	-	1,73,48,769
Work-in-progress	11,91,094	31,11,661
Finished goods	5,30,43,471	3,28,05,814
Packing materials	38,48,376	11,91,308
Scrap materials	1,08,54,171	55,19,869
Stores and spares	9,44,513	5,08,228
	8,88,66,520	7,91,39,614

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

9: Current financial assets

(A) Trade receivables

	31 March 2021	31 March 2020
Considered Good - Unsecured	8,18,47,367	5,17,81,564
Receivables from related parties (Refer note - 28)	30,28,008	11,74,480
Trade receivables (Gross)	8,48,75,375	5,29,56,044
Less: Impairment allowance for trade receivables - Credit Impaired	12,00,208	2,23,122
	8,36,75,167	5,27,32,922

The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

	31 March 2021	31 March 2020
At the beginning of year	2,23,122	1,15,802
Provision during the period	9,77,086	1,07,320
Bad debts written off (net)	-	-
At the end of the period	12,00,208	2,23,122

(B) Cash and cash equivalents

	31 March 2021	31 March 2020
Balances with banks		
In current accounts	83,56,274	93,39,611
Cash in hand	1,24,291	1,96,961
	84,80,565	95,36,572

(C) LOANS

	31 March 2021	31 March 2020
At amortised cost		
Security deposits and Earnest money deposits, Unsecured, considered good	53,600	53,600
	53,600	53,600

10: Other current assets

	31 March 2021	31 March 2020
Advance given to related party		5,04,00,000
Advance to Vendors	41,83,736	2,01,929
Balances with statutory/government authorities	-	2,19,307
	41,83,736	5,08,21,236

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

11: Equity Share Capital

	31 March 2021	31 March 2020
Authorised Share Capital		
Equity shares, Rs 10 per value 1,50,00,000 (1,50,00,000) equity shares	15,00,00,000	15,00,00,000
Preference shares, Rs 10 per value 25,00,000 (25,00,000) pref. shares	2,50,00,000	2,50,00,000
Issued, subscribed and fully paid-up shares		
Equity shares, Rs. 10 per value 90,00,000 (90,00,000) equity shares	9,00,00,000	9,00,00,000
	9,00,00,000	9,00,00,000

Note:

Terms/ rights attached to equity shares:

The company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

The Company has issued Nil shares of Rs 10/- as fully paid up pursuant to contract(s) without payment being received in cash, or by way of bonus shares out of free reserves during the period of five years immediately preceding the date as at which Balance Sheet is prepared.

The company has not bought any shares by way of buy back during the period of five years immediately preceding date as at which Balance Sheet is prepared.

There are no calls unpaid on issued shares.

No Shares have been forfeited by the company.

Share Of The Company Held By Holding/ Ultimate Holding Company

	(Number of share)			
	31-Mar-21	% holding	31-Mar-20	% holding
Polycab India Limited	45,90,000	51%	45,90,000	51%
	45,90,000	51%	45,90,000	51%

The details of shareholders holding more than 5% shares as at 31 March 2021 and 31 March 2020 are as follows:

	At 31 March 2021		As at 31 December 2019	
	No. of Shares	% holding	No. of Shares	% holding
Polycab India Ltd	45,90,000	51.00%	45,90,000	51.00%
Mr. Jayantibhai S. Patel	22,05,000	24.50%	22,05,000	24.50%
Mrs. Divyaprabha J. Patel	22,05,000	24.50%	22,05,000	24.50%

12: Other equity

	31 March 2021	31 March 2020
Opening balance	5,21,39,499	2,12,28,656
Add: Profit during the year	5,93,96,211	3,41,63,589
Less: Impact on account of Ind AS 116	-	(32,52,746)
	11,15,35,709	5,21,39,499

13: Non-current liabilities:

(A) Deferred tax liabilities :

	31 March 2021	31 March 2020
Deferred tax liability		
Property Plant & Equipments: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	26,73,611	9,88,208
Gross deferred tax liability	26,73,611	9,88,208
Deferred tax asset		
Provision for expected credit loss (ECL)	3,02,068	56,160
Other	1,30,193	-
Gross deferred tax asset	4,32,262	56,160
Deferred tax liability (net)	22,41,349	9,32,048

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

(A) Income tax expense in the statement of profit and loss comprises:

	31 March 2021	31 March 2020
Current Income tax :		
In respect of current year	1,94,67,815	1,11,52,000
Adjustments of tax relating to earlier years	-	1,14,118
Deferred tax:		
In respect of current year	13,09,301	(2,65,178)
	2,07,77,117	1,10,00,940

(B) Reconciliation of tax expense and the accounting profit multiplied by Company's domestic tax rate:

	31 March 2021	31 March 2020
Profit before tax	8,01,73,327	4,51,64,529
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expenses	2,01,78,023	1,13,67,009
Effect of:		
Expense not allowed for tax purposes	35,25,964	20,94,232
Expenses considered for tax purposes	(42,36,172)	(23,09,241)
Adjustments of tax relating to earlier years		1,14,118
Current Tax Provision (A)	1,94,67,815	1,12,66,118
(Decrease)/Increase in Deferred Tax Liability on account of Property, Plant & Equipment	16,85,403	(2,94,037)
Decrease in Deferred Tax (Liability) / Asset on account Financial Assets & Other	(3,76,102)	28,859
Deferred Tax Provision (B)	13,09,301	(2,65,178)
	2,07,77,117	1,10,00,940

14: Current financial liabilities

(A) Borrowings

	31 March 2021	March 31, 2020
Rupee loan (unsecured)		
From Related Party - Polycab India Ltd	-	44,69,454
	-	44,69,454

(B) Trade Payable

	31 March 2021	March 31, 2020
Total outstanding dues of micro and small enterprises - (Refer note 29)	2,87,10,245	26,63,765
Total outstanding dues of creditors other than micro and small enterprises	1,94,60,902	6,16,96,524
Trade payables to related parties (Refer Note - 28)	17,39,656	72,03,858
	4,99,10,803	7,15,64,148

(C) Other financial liabilities

Non - Current

	31 March 2021	March 31, 2020
Lease Liabilities	58,27,609	-
	58,27,609	-

Current

	31 March 2021	March 31, 2020
Security deposit	5,10,000	2,85,000
Rent Lease Liabilities	75,16,764	5,30,000
	80,26,764	8,15,000

15: Other current liabilities

	31 March 2021	March 31, 2020
Advance from customers	16,95,192	2,21,392
Employee Recoveries and Employer Contributions	41,984	84,136
Other statutory dues	31,54,815	17,71,695
	48,91,991	20,77,223

16: Other current liabilities

	31 March 2021	March 31, 2020
Provision for Current Tax (Net of advance tax)	38,20,439	29,97,585
	38,20,439	29,97,585

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2021

17: Revenue from operations

	Quarter Ended 31 Mar 21	Quarter Ended 31 Mar 20	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Sale of products				
Finished goods	7,48,17,410	5,84,29,411	20,89,99,358	21,35,19,256
Traded goods	6,93,20,871	2,27,80,235	18,18,27,453	13,68,20,635
Sale of service	-	-	7,500	70,982
	14,41,38,281	8,12,09,646	39,08,34,311	35,04,10,873
Other operating revenue				
Scrap sales	62,25,740	8,55,596	3,36,93,509	95,73,699
Export incentives	-	24,676	10,869	24,676
	15,03,64,021	8,20,89,918	42,45,38,689	36,00,09,248

18: Other income

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Interest income on financial assets				
Carried at amortised cost	(286)	59,972	5,578	59,972
Other non-operating income				
Exchange Difference (Net)	-	(1,210)	-	31,026
Miscellaneous Income	-	(78,056)	-	-
	(286)	(19,294)	5,578	90,998

19: Cost of materials consumed

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Inventories at the beginning of the period	2,84,89,639	1,97,81,771	1,98,45,273	1,56,43,016
Add: Purchases	4,83,86,267	2,45,27,070	14,26,59,047	11,60,13,476
	7,68,75,906	4,43,08,841	16,25,04,319	13,16,56,492
Less: Inventories at the end of the period	2,28,33,272	1,98,45,273	2,28,33,272	1,98,45,273
	5,40,42,633	2,44,63,568	13,96,71,047	11,18,11,219

	31-Dec-20	31-Mar-20	31-Dec-20	31-Mar-20
Copper	4,07,11,671	1,52,64,557	10,92,30,933	7,97,40,343
Aluminium	86,42,297	38,52,983	1,97,69,091	2,08,19,006
Brass	27,93,617	-	27,93,617	-
Others	16,41,126	20,87,515	49,99,579	49,21,707
Packing Materials	2,53,923	32,58,512	28,77,828	63,30,163
	5,40,42,633	2,44,63,568	13,96,71,047	11,18,11,219

20: Purchases of traded goods

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Purchase of Cable Glands	4,95,96,361	2,48,18,524	13,34,91,108	11,92,16,992
Purchase of Terminals	24,89,835	1,49,711	29,10,245	3,68,291
Purchase of Crimping Tools	8,87,500	2,91,771	14,65,719	8,98,971
Purchase of others	1,91,498	2,69,359	7,06,204	2,69,359
	5,31,65,194	2,55,29,365	13,85,73,276	12,07,53,613

21: Changes in Inventories of finished goods, traded goods and work-in-progress

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Inventory at the beginning of the period				
Work-in-progress	14,03,710	16,58,737	31,11,661	1,45,61,392
Finished goods	2,83,92,359	2,65,83,202	3,28,05,814	2,64,27,717
Traded Goods	1,63,92,340	1,86,21,648	1,73,48,769	2,11,51,591
Scrap materials	43,27,614	24,33,199	55,19,869	33,53,713
	5,05,16,023	4,92,96,786	5,87,86,113	6,54,94,413
Inventory at the end of the period				
Work-in-progress	11,91,094	31,11,661	11,91,094	31,11,661
Finished goods	3,94,84,894	3,28,05,814	3,94,84,894	3,28,05,814
Traded Goods	1,35,58,577	1,73,48,769	1,35,58,577	1,73,48,769
Scrap materials	1,08,54,171	55,19,869	1,08,54,171	55,19,869
	6,50,88,735	5,87,86,113	6,50,88,735	5,87,86,113
	(1,45,72,712)	(94,89,327)	(63,02,622)	67,08,300

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

22: Employee benefits expense

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Salaries, wages and bonus	44,02,594	47,18,489	1,59,31,982	1,37,14,221
Contribution to provident and other funds	67,374	1,34,118	2,35,438	1,34,118
	44,69,968	48,52,607	1,61,67,420	1,38,48,339

23: Other expenses

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Consumables, Stores & Spares	28,06,283	90,64,255	44,28,970	1,03,55,034
Sub-contracting expenses	64,55,232	71,19,488	2,35,47,037	2,69,48,626
Power and fuel	12,82,127	9,40,663	34,52,837	24,37,218
Rate & Taxes	-	11,292	-	11,292
Repairs and maintenance	-	-	-	-
Plant and machinery	45,471	1,10,743	2,10,869	2,48,832
Buildings	-	-	-	39,130
Others	38,004	1,10,975	3,10,997	2,08,075
Advertising and sales promotion	2,34,804	(15,294)	2,83,950	12,850
Brokerage and commission	4,24,459	2,44,112	7,94,704	2,44,112
Travelling and conveyance	12,904	14,84,011	39,602	19,26,768
Communication Cost	2,25,182	30,036	3,23,379	1,19,514
Legal and professional fees	(15,88,498)	4,60,007	4,72,552	18,29,350
Freight & forwarding expenses	30,03,350	12,22,740	54,54,694	42,68,177
Payment to auditor (Refer Note below)	95,000	50,000	2,20,000	1,75,000
Impairment allowance for trade receivable considered doubtful	4,81,151	(3,58,230)	9,77,086	1,07,320
Miscellaneous expenses	7,87,625	32,06,239	24,63,958	45,21,783
	1,43,03,093	2,36,81,037	4,29,80,634	5,34,53,081

Note:

Payments to the auditor (excluding applicable taxes):

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
As auditor				
Tax Audit Fee	35,000	20,000	85,000	45,000
Statutory Audit Fee	55,000	25,000	1,05,000	1,00,000
Taxation Matters	5,000	5,000	30,000	30,000
	95,000	50,000	2,20,000	1,75,000

24: Finance cost

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Interest	5,29,227	1,55,096	6,99,499	9,82,330
Interest expense on financial liabilities at FVTPL	3,08,788	23,555	12,86,384	2,99,497
Others	18,947	9,836	52,378	67,471
	8,56,962	1,88,487	20,38,261	13,49,298

25: Depreciation and amortization expense

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Depreciation of tangible assets (Refer note -3)	12,33,792	9,77,555	38,05,730	39,30,855
Depreciation of right-of-use assets (refer note 4)	15,39,249	7,70,253	59,00,659	30,81,012
Depreciation of intangible assets (Refer note -5)	11,39,876	-	15,36,534	-
	39,12,918	17,47,808	1,12,42,924	70,11,867

26: Earnings per share

	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Profit after taxation	₹ 2,50,56,308	86,71,660	5,93,96,211	3,41,63,589
Weighted average number of equity shares for basic and diluted earning per share	No 90,00,000	90,00,000	90,00,000	90,00,000
Earnings per shares - Basic and diluted (one equity share of Rs 10 each)	₹ 2.78	0.96	6.60	3.80

Note :

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

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021

27: Contingent liabilities and commitments

(A) Contingent liabilities (to the extent not provided for)
 Nil

(B) Commitments
 Nil

28: Related party disclosure

(A) Holding Company

Polycab India Limited

(B) Enterprises owned or significantly influenced by key managerial personnel

Dowells Elektro Werke (DEW)
 Dowells Electricals (DE)
 D J Electricals Private Limited (DJEPL)

(C) Key management personnel

Mr. Inder T. Jaisinghani (ITJ)	Chairman
Mr. Jayantibhai S. Patel (JSP)	Managing Director
Mr. Ramesh T. Jaisinghani (RTJ)	Director
Mrs. Divyaprabha J. Patel (DJP)	Director

(D) Transactions with group companies

		31-Mar-21	31-Mar-20
(i) Sale of goods (including GST)			
Polycab India Limited	Holding	59,36,443	24,64,605
(ii) Purchase of Goods/Services (including GST)			
Polycab India Limited	Holding	50,77,926	45,49,992
Dowells Elektro Werke (DEW)	Enterprises owned or significantly influenced by key managerial personnel	-	2,86,032
Dowells Electricals (DE)		-	17,65,416
D J Electricals Private Limited (DJEPL)		-	15,20,876
(iii) Sales of Services			
Polycab India Limited	Holding		83,758
(iv) Rent (inclusive of GST)			
Polycab India Limited	Holding	81,92,740	75,04,800
(v) Electricity Charges Paid			
Polycab India Limited	Holding	28,93,910	17,95,815
(vi) Repayment of Unsecured Loan			
Polycab India Limited	Holding	44,69,453	69,73,549
(vii) Interest paid			
Polycab India Limited	Holding	1,80,558	9,82,329
(viii) Reimbursement of Expenses			
Dowells Elektro Werke (DEW)	Holding	-	14,641

DOWELLS CABLE ACCESSORIES PRIVATE LIMITED
Notes to Financial Statements for the year ended 31 March 2021
(E) Outstanding as on

		31-Mar-21	31-Mar-20
(i) Trade payable			
Polycab India Limited	Holding	(6,244)	12,32,494
Dowells Elektro Werke (DEW)	Enterprises owned or significantly influenced by key managerial personnel	3,43,992	12,56,673
Dowells Electricals (DE)		82,401	82,401
D J Electricals Private Limited (DJEPL)		1,95,873	11,32,723
(ii) Trade receivable			
Polycab India Limited	Holding	30,28,008	11,74,480
(iii) Unsecured Loan Payable			
Polycab India Limited	Holding		44,69,454
(iv) Other Receivables			
Mr. Jayantibhai S. Patel (JSP)	KMP	-	5,04,00,000
Dowells Elektro Werke (DEW)	Enterprises owned or significantly influenced by key managerial personnel	26,33,135	-
(v) Other Payables			
Mr. Jayantibhai S. Patel (JSP)	KMP	4,96,633	3,54,337

(F) Transactions with KMP:
Remuneration paid for the period ended:

	31-Mar-21	31-Mar-20
Mr. Jayantibhai S. Patel	1,14,00,000	1,14,00,000

Outstanding as on:

	31-Mar-21	31-Mar-20
Mr. Jayantibhai S. Patel	6,27,000.00	31,45,230.00

29. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

During the year the company has received memorandum from Micro, Small and Medium Enterprises, as defined in Micro, Small, Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount due to Micro, small & medium enterprises are disclosed separately

	31-Mar-21	31-Mar-20
Principal Interest	2,87,10,245	26,63,765
	-	-

The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

The amount of interest accrued and remaining unpaid at the end of each accounting year

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible

30 : Others

Figures relating to previous years has been regrouped wherever necessary to make them comparable with the current year figures.

As per our report of even date
For ARVIND RAMAN & CO.
Chartered Accountants
FRN : 100594W

Vijay Mathuradas
Dhanak
Digitally signed by Vijay Mathuradas Dhanak
Date: 2021.04.25 18:24:30 +05'30'

per **V. M. Dhanak**
Partner
Membership No. 38119

Place: Mumbai
Date: 25th April 2021

For and on behalf of the Board of Directors of
DOWELLS CABLE ACCESSORIES PRIVATE LIMITED

INDER THAKURDAS JAISINGHANI
Digitally signed by Inder Thakurdas Jaisinghani
Date: 2021.04.25 12:51:30 +05'30'

I. T. Jaisinghani
Chairman
DIN : 00309108

Place: Mumbai
Date: 25th April 2021

Jayantibhai Shankerbhai Patel
Digitally signed by Jayantibhai Shankerbhai Patel
Date: 2021.04.25 12:51:30 +05'30'

J. S. Patel
Managing Director
DIN : 02829263

Place: Mumbai
Date: 25th April 2021

1. Corporate information

Dowells Cable Accessories Private Limited ('the Company') is a private company domiciled in India and incorporated on 1st December 2015 under the provisions of the Companies Act, 2013 having its registered office at Gala No. 47/47A, 1st Floor, Jagat Satguru Industrial Estate, Off Aarey Road, Goregaon East, Mumbai - 400063. The Company is engaged in manufacture of electrical goods & cable accessories & equipments. The company has manufacturing facilities at Halol (Gujarat). The company caters to major sectors of the Industries both domestic and international markets.

2. Significant Accounting Policies

2.1 Basis of preparation

The Company has followed the same accounting policies and methods of computation in the financial statements as compared with the most recent annual financial statements or, if those policies or methods have been changed a description of the nature and effect of the change have been disclosed appropriately.

The Company prepared its financial statements to comply with the accounting standards specified under section 133 of the Companies Act, 2013, read together with Companies (Accounts) Rules, 2015 and companies (Indian Accounting Standards) Amendment Rules, 2016, as amended from time to time. These financial statements includes Balance Sheet as at 31 March 2021, the Statement of Profit and Loss including Other Comprehensive Income, Cash flows Statement and Statement of changes in equity for the year ended 31 March 2021, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "financial statements for the year ended 31 March 2021").

The Financial Information for the year ended 31 March 2021 and year ended 31 March 2020 has been prepared on an accrual basis and a historical cost convention, except for the following financial assets and liabilities which have been measured at fair value or amortised cost at the end of each reporting year:

- Derivative financials instrument,
- Certain financials assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

The financial statements are presented in Indian Rupees ("INR")

2.2 Significant accounting judgements, estimates and assumptions

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;

- Expected to be realised within twelve months after the reporting year; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting year; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

b. Use of estimates and judgements

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future years are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its financial statements:

1. Revenue Recognition:

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts at a point in time with customers, such as identifying performance obligations in a sale transactions. In certain non-standard contracts, where the Company provides extended warranties in respect of sale of consumer durable goods, the Company allocated the apportion of the transaction price to goods bases on its relative standalone prices. Also, certain contracts of sale includes volume rebates that give rise to variable consideration. In respect of long term contracts significant judgments are used in:

- A) Determining the revenue to be recognised in case of performance obligation satisfied over a year of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

B) Determining the expected losses, which are recognised in the year in which such losses become probable based on the expected total contract cost as at the reporting date.

2. Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting year. This reassessment may result in change in depreciation expense in current and future years.

3. Provisions

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting year and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

4. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Contingent assets are neither recognised nor disclosed in the financial statements.

5. Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting year.

6. Employee benefits

The accounting of employee benefit expenses have been explained under employee benefits note.

7. Fair value measurement of financial instruments:

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

8. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its

recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the assets or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss.

9. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

10. Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, and investment in group companies. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

c. Changes in significant accounting policies

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting year beginning 1 April 2019 and applied the standard to its leases, using Modified Retrospective Approach, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (1 April 2019).

d. Recent pronouncement

The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as per the amendment notified in the official Gazette . Accordingly, the Company has recognised Provision for Income Tax for the year ended 31 March 2021 and re-measured its Deferred Tax Assets or Liabilities basis the reduced tax rate prescribed in the said section.

e. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020

f. The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

2.3 Accounting policies

a. CASH FLOWS STATEMENT

Cashflows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of cash flow statement consist of cash and short-term deposits, as defined above

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. (Refer Note-9).

For the purposes of cash flow statement consist of cash and bank balances are considered an integral part of the Company's cash management.

b. Property, plant and equipment and capital work-in-progress

Property, plant and equipments are stated at cost, net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, all related & incidental costs incurred to bring the assets to their location and working condition up to the date the assets are put to use any borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and

cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting year and are carried at cost comprising direct costs, related incidental expenses, other directly attributable costs and borrowing costs.

Gains or losses arising from derecognition of property, plant and equipments are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation on Property, plant and equipment's is calculated on pro rata basis on straight-line method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II of the Companies Act, 2013 as it represent useful life.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

Intangible assets

Intangible assets acquired are reported at cost less accumulated amortization and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Amortization of intangible assets is calculated on pro rata basis on straight-line method using the useful lives of the assets in the manner prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of amortization of Intangible assets are reviewed at each financial year end and adjusted prospectively. Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

Right of use assets

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the year of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying value as if the standard had been applied since the commencement date of the lease, but discounted at the Company’s incremental borrowing rate at the date of initial application.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

c. Depreciation on property, plant, and equipment’s

Depreciation on Property, plant and equipment’s is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013 except the Dies & Fixture whose useful life is different than those prescribed in Schedule II which is on the basis of technical assessment made by the management, it believes that the useful lives is 3 years which best represent the year over which the assets are expected to be used.

Useful Life of Assets as below:

Asset	Useful Life in Years
Electrical Installation, Furniture & Fixture, Lab Equipment	10
Plant & Machinery & Factory Equipment	15
Dies & Fixtures & IT Hardware	3
Office Equipment	5
Vehicles	8
Intangible Assets	10

d. Borrowing cost

Borrowing cost include interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

All other borrowing costs are expensed in the year are incurred.

e. Inventories

Raw materials, packing materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials, and stores and spares is determined on a First In-First Out (FIFO) basis and includes all applicable costs incurred in bringing goods to their present location and condition.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

f. Revenue from operations

IND AS 115 was made effective from 1 April 2018 and establishes a five-step model to account for revenue arising from contracts with customers. The new revenue standard replaced IND AS 18 & IND AS 11 and interpretations on revenue recognition related to sale of goods and services. The Company has applied the modified retrospective approach and accordingly has included the impact of Ind AS 115.

Measurement of Revenue

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer. Taxes collected from customers on behalf of Government are not treated as Revenue.

Sale of goods

Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when the performance obligation is satisfied and control as per Ind AS 115 is transferred to the customer. The Company collects Goods & Service Tax (GST) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is disclosed net of trade discounts, incentives and returns, as applicable.

Rendering of Services

Revenue from service-related activities is recognized as and when services are rendered and based on contractual terms with the parties.

Export incentives

Export incentives under various schemes notified by the Government have been recognized based on applicable regulations.

Interest

Interest income, if any, is recognized on a time proportion basis considering the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Statement of Profit and Loss.

Dividends

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

g. Foreign currency translation

The Company's financial statements are presented in INR which is also the Company's functional currency.

Foreign currency transactions and balances

i. Initial recognition

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

ii. Measurement of foreign currency item at the balance sheet date

Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.

iii. Exchange differences

Exchange differences arising on settlement of monetary items are recorded as income or as expenses in the year in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

h. Employee benefit Expenses

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, incentives, special awards, medical benefits etc. and the expected cost of ex-gratia are charged to the Statement of Profit & Loss account in the year in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Company recognises contribution payable to the provident fund and 'Employer Employee' scheme as an expenditure when an employee renders the related service. The Company has no obligation, other than the contribution payable to the funds. The Company's contributions to defined contribution plans are charged to the Statement of Profit & Loss as incurred.

i. Income taxes

Income tax expenses comprise current and deferred income tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current and deferred taxes are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively. Income tax received / receivable pertains to prior year recognized when reasonable certainty arises for refund acknowledged by the Income-tax department.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain that sufficient future taxable income will be available.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and interest in joint ventures where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

j. Segment reporting

The company is primarily engaged in the business of manufacturing and sale of electrical cable accessories and equipments (more specifically cable terminals & connectors, Glands & Crimping Tools), which, in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules,2015) constitutes a single reportable segment.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

k. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

l. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified at the initial recognition as financial assets measured at fair value or as financials assets measured at amortized cost.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financials assets at amortised cost

- Financials assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e., fair value through profit and loss), or recognised in other comprehensive income (i.e., fair value through other comprehensive income).

a. Financials assets carried at amortised cost

A financial asset that meets the flowing two conditions is measured at amortised cost (net of Impairment) unless the asset is designated at fair value through Profit and loss under the fair value option.

- Business Model test: The objective of the Company's business model is to hold the financial assets to collect the contractual cash flow (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

b. Financials assets at fair value through other comprehensive income

Financials assets is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

c. Financials assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for the following:

- a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- b) Other financial assets such as deposits, advances etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Company has applied ECL model for measurement and recognition of impairment losses on trade receivables. ECL has been computed as a percentage of revenue on the basis of Company's historical data of delay in collection of amounts due from customers and default by the customers along with management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed

ECL impairment loss allowance (or reversal) during the year is recognized as revenue from operations in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

b. Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTOCI, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

c. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.