

## **Company Information**

### **Board of Directors**

Mr. Nilesh Jhalani, Managing Director,  
 Mr. Devraj Jhalani, Whole-Time Director,  
 Mr. Rohit Kumar Jhalani, Whole-Time Director  
 Ms. Amita Premswaroop Patel, Independent Director  
 Mr. Atul Krishna Khandelwal, Independent Director,  
 Ms. Sapna Jhalani, Non-Executive Director,

### **Auditor**

M/s KVNG & Associates,  
 Chartered Accountants, Indore

### **Audit Committee**

Mr. Atul Krishna Khandelwal  
 Ms. Amita Premswaroop Patel  
 Mr. Nilesh Kumar Jhalani

### **Secretarial Auditor**

CS Shweta Garg,  
 Company Secretary,  
 Indore

### **Nomination and Remuneration Committee**

Mr. Atul Krishna Khandelwal  
 Ms. Amita Premswaroop Patel  
 Ms. Sapna Jhalani

### **Registered Office**

Shri Ram Bhawan, Goushala Road, Ratlam  
 MP 457001 IN  
 Tel. No.: 07412 235554  
 E-mail Id: [info@shriramswitchgears.com](mailto:info@shriramswitchgears.com)  
 Website: [www.shriramswitchgears.com](http://www.shriramswitchgears.com)

### **Stakeholder's Relationship Committee**

Ms. Sapna Jhalani  
 Mr. Atul Krishna Khandelwal  
 Ms. Amita Premswaroop Patel

### **Share and Transfer Agent**

Skyline Financial Services Private Limited  
 D-153, 1st Floor, Okhla Industrial Area,  
 Phase – 1, New Delhi – 110 020, IN  
 Phone No. : 011-64732681-88  
 E-mail id : viren@skylinerta.com

### **Company Secretary and Compliance Officer**

CS Garima Mahalaha

### **Chief Financial Officer**

Mr. Naresh Jhalani

## **Chairman's Address**

### **Dear Members,**

I am elated to present before you the 33<sup>rd</sup> Annual Report of your Company. The Company has had a long and momentous journey. The financial year 2018 - 19 has been yet another good year. It is the continued support and unwavering trust of all the stakeholders in the Company that has enabled us to deliver sustained performance and growth over the years.

With establishment of GST Law and Rules which is one of the most far-reaching indirect tax reforms, as it is likely to create a common Indian market, improve tax compliance and governance. Except for certain teething troubles and procedural setbacks, GST is going to have far reaching impact in Indian market. Financial services in India have come out of a volatile cycle and with government initiatives to devise various fiscal reforms, the future opportunity scenario looks quite attractive.

The Economy is currently at a stage where a slight pickup in demand can lead to a significant improvement in growth. The opportunity is out there in the open, one just needs to focus and choose the right path for success. As an organization, we have set ambitious yet realistic plans for each of our businesses.

The total turnover for Financial Year 2017 - 18 was Rs. 54.95 crore and in Financial Year 2018 - 19 it was Rs. 28.20 Crores. Further, it is to be noted that due to reduction in gross revenue, the profit is also reduced from Rs. 2.25 Crore to Rs. 0.77 Crores. Due to overall slowdown in the economy, turnover of the company has been adversely affected however major steps will be taken to resolve it and the goods order book which was affected adversely is now taken care off.

The tag line and the motto of your company is “Power Solutions Redefined.” The company is keeping with its tag line and is always trying to come out with best solution for every power need. The power needs of urban and rural area are extremely diversified. In addition to urban market, the emphasis of the company has always been the rural market. At Shri Ram Group, our corporate credo has been to ‘Trade with Confidence’ and hence we deliver utmost satisfaction to our customers consistently. With over three decades of expertise and experience, we have emerged as a front-runner in our field. We have come this far solely based on our core values serving as a moral compass in all our dealings. Our team’s experience and expertise, diversified product offerings, disciplined approach, product quality, post sale services have enabled us to win the trust of distinguished investors, customers, and a wide fraternity of stakeholders.

Our strength emanates from the trust of people that we have earned over the years by providing customized solutions to our customers. Today, we are known for our diversified product portfolio and prominent position in all our business area. Flexibility and reinvention while staying true to our ethos by helping every customer meet their requirements will set our foundation of growth for the forthcoming financial year and beyond. We are all set to enter new business transactions with local as well as overseas customers.

Our vision is that we believe “Customer is the core of all the endeavors”. Thus the primary objective of the company is up-holding the value of the “customer”. Our Company strives to provide “solutions” rather than “selling of products.” Our Objectives are to establish the

organization leadership in the area of electrical engineering both in the field of manufacturing and marketing and to develop high level of satisfied customer profile with dedicated service and high grade of products and quality as well as to maintain the growth patterns consistently both in terms of sales volume and return from sales.

The company believes that the support of shareholders have played indispensable role in improved performance of the company and also during trying time like previous financial year. But with the support of stakeholders, the company is trying to average the turnover in current ear.

Your Company believes in serving its own people first by providing the right workplace facilities and atmosphere for every staff members with highly subsidized and quality canteen facilities; employee health provisions for all the Employees. To connect with the employees on a personal level the company initiates outings on regular basis.

With your continued support, we will think bigger. Indeed not just bigger but better, creating ever greater value for all our stakeholders. I would like to end by expressing my gratitude to all our clients, employees, investors, bankers and shareholders – for the trust they have reposed in us. I would especially like to thank our Board members for their guidance throughout our journey. We look forward to your continued support in our journey to create long term value for all our stakeholders.

With Warm Regards

Sd/-

**Nilesh Jhalani**  
(Managing Director)

## **BOARD'S REPORT**

To,  
The Members,

Your directors have pleasure in presenting their 33<sup>rd</sup> Annual Report on the business and operations of the company and the accounts for the financial year ended March 31, 2019.

### **1. Financial Results :**

The details regarding financial performance of the company for financial year ended 31<sup>st</sup> March, 2019 are as follows:

Particulars	<b>Standalone (Rs. In Lacs)</b>	
	Current Financial Year (2019)	Previous Financial Year (2018)
Revenue from Operations	2820.45	5495.48
Other Income	75.54	58.71
Total Income	2896.00	5554.20
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	838.91	1181.35
Less: Depreciation/ Amortization/ Impairment	57.46	71.79
Add/(less): Exceptional items	Nil	Nil
Profit /loss before Tax Expense	781.45	1109.56
Less: Tax Expense (Current & Deferred) - Excess provision of previous year written back	-0.66	121.58
Less: Finance Costs	704.86	763.13
Profit /loss before Exceptional items and Tax Expense	77.26	224.85
Profit /loss for the year (1)	77.26	224.85
Total Comprehensive Income/loss (2)	Nil	Nil
Total (1+2)	77.26	224.85
Balance of profit /loss for earlier years	590.67	365.82
Less: Transfer to Debenture Redemption Reserve	Nil	Nil
Less: Transfer to Reserves	Nil	Nil
Less: Dividend paid on Equity Shares	Nil	Nil
Less: Dividend paid on Preference Shares	Nil	Nil
Less: Dividend Distribution Tax	Nil	Nil
Balance carried forward	667.93	590.67

### **2. Overview of the company, analysis of financial results and Performance Review**

Your company is involved in engineering and manufacturing of transformers and full range of HT & LT switchgears, distribution boards, Distribution Boxes, Control and Relay Panel, Feeder

Pillars, ACB Boxes, Single Phase Boxes, MCB & MCCB panels, Junction Boxes, A.C./D.C. Boards and other related products.

During the year under review, the turnover of the company got reduced from 5495.48 Lakhs to Rs. 2820.45 Lakhs. The reason for reduction in turnover can be stated to overall slowdown in the economy and poor performance of businesses associated with increased compliance burden due to imposition of various legal and procedural formalities. There was slack in the market and also due to change in political scenario in the state of Madhya Pradesh, topline has been adversely affected.

Our vision is that we believe “Customer is the core of all the endeavors”. Thus the primary objective of the company is up-holding the value of the “customer”. Our Company strives to provide “solutions” rather than “selling of products.” Our objectives are to establish the organization leadership in the area of electrical engineering both in the field of manufacturing and marketing and to develop high level of satisfied customer profile with dedicated service and high grade of products and quality as well as to maintain the growth patterns consistently both in terms of sales volume and return from sales.

### **3. Change in nature of business:**

There was no change in nature of business of the company during the year under review.

### **4. Extract of Annual Return:**

Pursuant to the provisions of Section 92 (3) and Section 134 (3) (a) of the Companies Act, 2013 read with rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT 9 is attached herewith as **Annexure I** and forms part of this report. The same is also uploaded on the website of the company i. e. [www.shriramswitchgears.com](http://www.shriramswitchgears.com).

### **5. Reserves**

The amount of surplus of Rs. 77,26,217/- (Rupees Seventy Seven Lakhs Twenty Six Thousand Two Hundred and Seventeen Only) of Profit and Loss account has been transferred to Reserve and Surplus account in the Balance Sheet. Final amount of reserve and surplus account as on 31.03.2019 is Rs. 9,24,57,600/- including capital reserve of Rs. 16,34,217/- and securities premium account of Rs. 2,40,30,000/-.

### **6. Dividend**

No dividend was declared for the current financial year due to conservation of profits and continued investment in the business.

### **7. Directors and Key Managerial Personnel**

In compliance with the provisions of Section 149 & 152 read with Schedule IV all the other applicable provisions of Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (LODR) regulations, 2015, the composition of board of directors of the company is as follows:

S. No.	Name	DIN/PAN	Designation
1.	Nilesh Kumar Jhalani	01462299	Managing Director
2.	Rohit Kumar Jhalani	00666443	Whole Time Director
3.	Devraj Jhalani	01462323	Whole Time Director
4.	Sapna Jhalani	07685341	Non Executive Director
5.	Atul Krishna Khandelwal	00094242	Independent Director
6.	Amita Premswaroop Patel	07687442	Independent Director
7.	Naresh Kumar Jhalani	ABBPJ8084B	Chief Finance Officer
8.	Garima Mahalaha	BWWPM8525K	Company Secretary and Compliance Officer

During the year there was no change in directors and KMPs.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company Mr. Devraj Jhalani (Whole time Director) (DIN: 01462323) is liable to retire by rotation and being eligible, seeks re-appointment at the ensuing Annual General Meeting. The Board of Directors recommends his re-appointment. Mr. Devraj Jhalani is not disqualified under Section 164(2) of the Companies Act, 2013.

Brief resume of the Director proposed to be reappointed, nature of his experience in specific functions and area and number of public companies in which he holds membership/chairmanship of Board and Committees, Shareholdings and inter-se relationships with other directors as stipulated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the '**Annexure to the Notice of AGM**' forming part of the Annual Report.

#### **8. Meetings of the Board of directors:**

The directors of the company met at regular intervals with the gap between two meetings not exceeding 120 days to take a view on company's policies and strategies apart from the board matters. The notices of the meetings are given well in advance to all the directors of the company. Additional meetings were held depending upon the requirements of the company. During the year under review the board met 10 times and dates of board meetings are as follows:

S No.	Date of board meeting
1.	3 <sup>rd</sup> April, 2018
2.	14 <sup>th</sup> May, 2018
3.	29 <sup>th</sup> May, 2018
4.	21 <sup>st</sup> June, 2018
5.	1 <sup>st</sup> September, 2018
6.	8 <sup>th</sup> October, 2018
7.	25 <sup>th</sup> October, 2018
8.	13 <sup>th</sup> November, 2018
9.	20 <sup>th</sup> February, 2019
10.	25 <sup>th</sup> March, 2019

Attendance of directors:

S. No.	Name of director	Number of board meetings	
		Held	Attended
1.	Nilesh Kumar Jhalani	10	10
2.	Rohit Kumar Jhalni	10	10
3.	Devraj Jhalani	10	10
4.	Sapna Jhalani	10	8
5.	Atul Krishna Khandelwal	10	4
6.	Amita Premswaroop Patel	10	3

## **9. Directors' Responsibility Statement**

Pursuant to the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your directors state that—

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (f) The directors had laid down internal financial controls to be followed by the company

## **10. Board's Evaluation**

In compliances with the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the board carried out annual evaluation of its own performance, that of its Committees and individual directors.

The performance of board and its committees was evaluated by the board after seeking input from all the directors on the basis of the criteria, such as composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation at the Board and committee meetings, governance reviews etc. Performance of individual directors was evaluated on the basis of criteria like transparency, analytical abilities, qualifications, leadership qualities, experience, participation in the long-term strategic planning and responsibilities shouldered.

## **11. Particulars of loans, guarantees or investments under section 186**

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 and rules made thereunder are shown under Note No. 11 & 15 in the notes to the Financial Statements.

## **12. Related Party Transaction:**

All related party transactions entered into by the company during the year were on an arm's length basis and in the ordinary course of business. During the year no transaction was entered into by the company with key managerial personnel. The company did not enter into any related party transactions which were in conflict with its interest. Statement of transaction with related parties in summary form are periodically placed before the audit committee and are approved by committee, in compliance with Section 134 (3) (h) of the Act and rule 8 (2) of companies (Accounts ) Rules, 2014. Particulars of Related Party transactions are given form of AOC-2 as **Annexure II** to this report.

## **13. Commission from holding or subsidiary company:**

As the company is not having any holding or subsidiary company, details as required regarding receipt of commission by Managing or whole time director of the company from holding or subsidiary of the company in accordance with the provisions of Section 197 (14) are not applicable.

## **14. Particulars Of Employee and Related Disclosures**

The ratio of remuneration of each Director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's Report under "**Annexure – III** " as **Median Remuneration**.

The company was not having any employee, who was in receipt of remuneration as specified under Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence the details as required under that rule are not applicable on the company.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the list of the top 10 employees in terms of remuneration forms part of the Board's Report under "**Annexure-IV**"

## **15. Audit Committee**

The company constituted an Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013.

The terms of reference of Audit Committee covers the matters specified for Audit Committee in Section 177 of the Companies Act, 2013 read with Rule No. 6 of the Companies (Meetings of Board and its Power) Rules, 2014. The Role of the Audit Committee is as prescribed under Section 177 of the Companies Act, 2013.

The chairman of the Audit Committee is Mr. Atul Krishna Khandelwal. During the year 2018 - 19, four Audit Committee meeting were held on 14<sup>th</sup> May, 2018, 1<sup>st</sup> September, 2018, 13<sup>th</sup> November, 2018 and 25<sup>th</sup> March, 2019.

The composition of the Audit Committee and number of meetings attended by the members are given below:



Name of director	Position held	No. of meetings attended
Mr. Atul Krishna Khandelwal (DIN : 00094242) – Independent Director	Chairman	4
Ms. Amita Premswaroop Patel (DIN : 07687442) – Independent Director	Member	3
Mr. Nilesh Kumar Jhalani (DIN : 01462299) – Managing Director	Member	4

## **16. Nomination and Remuneration Committee**

The company constituted Nomination & Remuneration Committee pursuant to the provisions of Section 178 of the Companies Act, 2013. The details of members of the Nomination and Remuneration committee are as follows:

Name of director	Position held	Attendance at meeting
Mr. Atul Krishna Khandelwal (DIN : 00094242) – Independent Director	Chairperson	1
Ms. Amita Premswaroop Patel (DIN : 07687442) – Independent Director	Member	1
Ms. Sapna Jhalani (DIN : 07685341) - Non Executive Director	Member	1

During the year 2018 -19, one meeting of Nomination and Remuneration Committee was held on 14<sup>th</sup> May, 2018 to consider increase in remuneration of Chief Finance Officer (CFO) from Rs. 4,00,000/- p. a. to Rs. 4,80,000/- p. a. so as to bring it as par with remuneration of Whole Time Directors.

The function performed by the Nomination and Remuneration are as prescribed under Companies Act, 2013 and rules made thereunder.

## **17. Stakeholders' Relationship Committee**

The company constituted a Stakeholders' Relationship Committee pursuant to the provisions of Section 178 (6) of the Companies Act, 2013. The details of members and meetings of the Stakeholder's Relationship Committee are as follows:

Name of director	Position held	No. of meetings attended
Ms. Sapna Jhalani (DIN : 07685341) Non Executive Director	Chairperson	1
Mr. Atul Krishna Khandelwal (DIN : 00094242) – Independent Director	Member	1

Ms. Amita Premswaroop Patel (DIN : 07687442) – Independent Director	Member	1
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## **18. Vigil Mechanism/whistleblower Policy**

In Compliance with the provision of section 177(9) of the Act read with Rule 7 of Companies (Meeting of Board and its Power) Rules, 2014, the company formulated a Vigil Mechanism for directors and employees to report concerns.

## **19. Corporate Social Responsibility (CSR)**

As the company does not fall into any of the category mentioned thereunder, the provisions of Section 134 (3) (o) read with Section 135 and Rule 9 of Companies (Accounts) Rules, 2014 related with **Corporate Social Responsibility** are not applicable on the company.

## **20. Material changes and commitments affecting the financial position of the company**

There were no material changes and commitments affecting the financial position of the company between the end of financial year of the company to which the financial statement relate and the date of the report.

## **21. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo in terms of Section 134 (3) (m) read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are given in **Annexure V** which is part of this Report.

## **22. Details of Subsidiary/Joint Ventures/Associate Companies**

As the company is not having any subsidiary/joint venture/Associate Companies, the details in terms of Section 134 (3) (q) read with Rule 8 (5) (iv) of the Companies (Accounts) Rules, 2014 are nil.

## **23. SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2018-19.

## **24. Deposits**

As the company has not accepted any deposits covered under Chapter V of the Act, the details in terms of Section 134 (3) (q) of the Companies Act, 2013 read with Rule 8 (5) (v) and (vi) of the Companies (Account) Rules, 2014 are nil. The unsecured loan as are appearing in the balance

sheet are the amount which are brought in by the promoters and their relatives in pursuant to the stipulation imposed by the financing banks and the same shall not be treated as deposits in terms of provisions of Rule 2 (c) (XIII) of Companies (Deposit) Rules, 2014.

**25. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

No significant or material orders are passed during the financial year by the regulators or courts or tribunals which might impact the going concern status and company's operation in future.

**26. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable.

A system of strict internal control, including suitable monitoring procedures has always believed that transparency, systems and controls are important factors in the success and growth of any organization.

The Company has an adequate system of internal control supported by an extensive programme of internal control; and systems are established to ensure that financial and other records are reliable for preparing financial statements.

Internal Audit Reports and significant Audit observations are brought to the attention of the Audit Committee of the company. The internal controls existing in the Company are considered to be adequate vis-a-vis the business requirements.

Your Company ensures adequacy with its current size and business, to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations. It is supported by the internal audit process and will be enlarged to be adequate with the growth in the business activity.

**27. Internal Auditors**

In accordance with the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the company had appointed CA Neha Jain, Chartered Accountant, Ratlam as internal auditor of the company. The purpose of internal audit is to examine that the company is carrying out its operations effectively and performing the processes, procedures and functions as per the prescribed norms. The internal auditors review the adequacy and efficiency of the key internal controls guided by the Audit Committee.

## **28. Explanation or comments on Auditor's Report:**

Auditor's report being self explanatory, no comments are required to be given in terms of Section 134 (3) (f) (i).

## **29. Secretarial Audit**

Pursuant the provision of the Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personal) Rules, 2014, the board appointed CS Shweta Garg, Practicing Company Secretary, Indore to conduct Secretarial Audit of the Company for the financial year 2018 - 2019. The Secretarial Audit report in Form MR 3 is attached as **Annexure VI** and forms part of this report. The Secretarial Audit Report is self explanatory and no comments are required to be given on the same.

## **30. Cost Auditors**

The Cost audit of the Company has not been conducted for the financial year 2018 - 19 as provisions of Section 148 of the Companies Act, 2013 are not applicable on the Company.

## **31. Management Discussion and Analysis**

Management Discussion and Analysis Report for the year 2018-19, as stipulated under Regulation 34(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **Annexure VII** forming part of this Annual Report, and gives detail of overall industry structure, developments performance and state of affairs of the Company's operations during the year.

## **32. Risk Management Policy**

The risk management framework of the company defines roles and responsibilities for arriving at risk rating criteria for assessing risk impact, likelihood of risks and effectiveness of mitigations plans. The process includes identifications of risks involved in various areas, zeroing on 'risk that matter', assessing mitigation plan and preparedness to face 'risk that matter'

## **33. Disclosure in respect of loan to employees for purchase of own shares**

The company has not given any loan to any of the employees for purchasing its shares, hence the information pursuant of Section 67 of the Act read with Rule 16 of Companies (Share Capital & Debentures) Regulations, 2014 are nil.

## **34. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal), Act, 2013**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and rules made there under, your Company has adopted a Sexual Harassment Policy for women to ensure healthy working environment without fear of prejudice, gender bias and sexual harassment.

The Board states that there were no cases or complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**35. Issue of Equity shares with differential voting rights, Sweat Equity, ESOP etc.**

The company has not issued any equity shares with differential voting rights, Sweat Equity Shares or Shares to its employees under “Employee Stock Option Scheme” during the financial year.

**36. Changes in Share Capital**

There was no change in the share capital of the company during the financial year 2018 - 2019.

**37. Auditors:**

The members at the Annual General Meeting held on 30.09.2017, appointed M/s KVNG & ASSOCIATES, Chartered Accountants, Indore, as statutory auditor to hold office for a period of 5 years till 2022. The auditors have given a declaration to the company to the effect that the firm is not disqualified to continue as auditor in terms of the provisions of Section 141 of the Companies Act, 2013 read with Rule 4 and Rule 10 of the Companies (Audit & Auditors) Rules, 2013.

**38. Acknowledgements**

Your Directors convey a sense of high appreciations to all the employees of the company for their hard work, dedication continued commitment and significant contributions. Your Directors are grateful to acknowledge the support and cooperation’s received from various departments of the Central and State Governments, shareholders, business associates, analysts, banks, Financial Institutions, customers, distributors and suppliers.

For & on behalf of the Board of Directors

Place : Ratlam  
Date : 26.08.2019

Sd/-  
**Rohit Kumar Jhalani**  
Whole Time Director (DIN : 00666443)

Shri Ram Bhawan, Goshala Road,  
Ratlam, 457001 MP IN

Sd/-  
**Nilesh Kumar Jhalani**  
Managing Director (DIN:  
01462299)

242/243, Gaushala Road  
Shri Ram Bhawan, Ratlam  
457001 MP IN

## ANNEXURE I TO BOARD'S REPORT

## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.

## I REGISTRATION &amp; OTHER DETAILS:

i	CIN	L31200MP1985PLC003026
ii	Registration Date	06.09.1985
iii	Name of the Company	SHRI RAM SWITCHGEARS LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
v	Address of the Registered office & contact details	Shri Ram Bhawan, Goushala Road, Ratlam, M.P. Indore, 457001 Website : www.shriramswitchgears.com E mail : info@shriramswitchgears.com Ph. No. 07412 235554, 231660, 233660
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited, D-153, 1st Floor, Okhla Industrial Area, Phase – 1, New Delhi – 110 020 Ph. No. 011-64732681-88 Email Id: viren@skylinerta.com Website: www.skylinerta.com

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of electric power distribution transformers, arc-welding transformers, fluorescent ballasts, transmission and distribution voltage regulators	27102	16.48%
2	Other Electrical Items	27104	76.08%
3	Construction/erection and maintenance of power, telecommunication and transmission lines	42202	7.44%

## III PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARE S HELD	APPLICABLE SECTION
.....Nil.....					

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	No of shares	% of total share
<b>A. Promoters</b>										
(1) Indian										
a) Individual/HUF	6087585	0	6087585	60.81%	6087585	0	6087585	60.81%	0	0.00%
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0	0
c) Bodies	0	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	6087585	0	6087585	60.81%	6087585	0	6087585	60.81%	0	0.00%
<b>(2) Foreign</b>										
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	0	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	6087585	0	6087585	60.81%	6087585	0	6087585	60.81%	0	0.00%
<b>B. PUBLIC SHAREHOLDING</b>										
<b>(1) Institutions</b>										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
c) Cenntal govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0	0	0
<b>(2) Non Institutions</b>										
a) Bodies corporates										
i) Indian	418415	0	418415	4.18%	222000	0	222000	2.22%	-196415	-1.96%
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	1173494	0	1173494	11.72%	1111650	0	1111650	11.10%	-61844	-0.62%

ii) Individuals shareholders holding nominal share capital in excess of Rs. 1	2319071	0	2319071	23.17%	2589330	0	2589330	25.87%	270259	2.70%
c) Others (specify) NRI	12000	0	12000	0.12%	0	0	0	0.00%	-12000	-0.12%
<b>SUB TOTAL (B)(2):</b>	3922980	0	3922980	39.19%	3922980	0	3922980	39.19%	0	0.00%
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	3922980	0	3922980	39.19%	3922980	0	3922980	39.19%	0	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	10010565	0	10010565	100%	10010565	0	10010565	100%	0	0.00%

(ii) **SHARE HOLDING OF PROMOTERS**

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Nilesh Kumar Jhalani	137250	1.37%	0	137250	1.37%	0	0.00%
2	Rohit Kumar Jhalani	423750	4.23%	0	423750	4.23%	0	0.00%
3	Devraj Jhalani	1516590	15.15%	0	1516590	15.15%	0	0.00%
	Total	2077590	20.75%	0	2077590	20.75%	0	0.00%

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.	Name of Shareholders (Promoters)	No. of shares held at the beginn of the year as in 01.04.2018			No. of shares held at the end of the year as in 31.03.2019			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Nilesh Kumar Jhalani	137250	1.37%	0	137250	1.37%	0	0.00%
2	Rohit Kumar Jhalani	423750	4.23%	0	423750	4.23%	0	0.00%
3	Devraj Jhalani	1516590	15.15%	0	1516590	15.15%	0	0.00%
	Total	2077590	20.75%	0	2077590	20.75%	0	0.00%



(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	Name of the Shareholders	Date	Increase/decrease and reason for the same	Shareholding at the beginning of the year as on 01.04.2018		Cumulative Shareholding during the year	
				No of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Umesh Kumar Jhalani	01.04.18	-	1502955	15.01%	-	-
		31.03.19	-	-	-	1502955	15.01%
2	Sapna Jhalani	01.04.18	-	1129275	11.28%	-	-
		31.03.19	-	-	-	1129275	11.28%
3	Premalata Devi Jhalani	01.04.18	-	758040	7.57%	-	-
		31.03.19	-	-	-	758040	7.57%
4	Manuraj Jhalani	01.04.18	-	555000	5.54%	-	-
		31.03.19	-	-	-	555000	5.54%
5	Shobha Devi Jhalani	01.04.18	-	526725	5.26%	-	-
		31.03.19	-	-	-	526725	5.26%
6	Kaushika Jhalani	01.04.18	-	229500	2.29%	-	-
		31.03.19	-	-	-	229500	2.29%
7	Santosh Trilok Jhalani	01.04.18	-	227940	2.28%	-	-
		31.03.19	-	-	-	227940	2.28%
8	Meghna Jhalani	01.04.18	-	160050	1.60%	-	-
		31.03.19	-	-	-	160050	1.60%
9	Bharti Katyal	01.04.18	-	78000	0.78%	-	-
		31.03.19	-	-	-	78000	0.78%
10	Divik Kumar Jhalani	01.04.18	-	76650	0.77%	-	-
		31.03.19	-	-	-	76650	0.77%

(v) **Shareholding of Directors & KMP**

Sl. No	Name of the Shareholders	Date	Increase/decrease and reason for the same	Shareholding at the end of the year as on 01.04.2018		Cumulative Shareholding during the year	
				No of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Nilesh Kumar Jhalani	01.04.18	-	137250	1.37%	-	-
		31.03.19	-	-	-	137250	1.37%
2	Rohit Kumar Jhalani	01.04.18	-	423750	4.23%	-	-
		31.03.19	-	-	-	423750	4.23%
3	Devraj Jhalani	01.04.2018	-	1516590	15.15%	-	-
		31.03.19	-	-	-	1516590	15.15%

4	Amita Premswarop Patel	01.04.18	-	-	-	-	-
		31.03.19	-	-	-	-	-
5	Atul Krishan Khandelwal	01.04.18	-	-	-	-	-
		31.03.19	-	-	-	-	-
6	Sapna Jhalani	01.04.18	-	1129275	11.28%	-	-
		31.03.19	-			1129275	11.28%
7	CS Garima Mahalaha	01.04.18	-	-	-	-	-
		31.03.19					
8	Naresh Jhalani	01.04.18	-	-	-	-	-
		31.03.19	-	-	-	-	-

V **INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial</b>				
i) Principal Amount	320410290	46271341	0	366681631
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	320410290	46271341	0	366681631
<b>Change in Indebtedness during the financial</b>				
Additions	16725180	3129763	0	19854943
Reduction	0	0	0	0
<b>Net Change</b>	16725180	3129763	0	19854943
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	337135470	49401104	0	386536574
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	337135470	49401104	0	386536574

VI **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. **Remuneration to Managing Director, Whole time director, Director and/or Manager:**

Sl.No	Particulars of Remuneration		Name of the MD/WTD/Director/Manager		Total Amount
1	<b>Gross salary</b>	Mr. Nilesh Kumar Jhalani	Mr. Rohit Kumar Jhalani	Mr. Devraj Jhalani	
	(a) Salary as per	600000	480000	480000	1560000
	(b) Value of perquisites	0	0	0	0
	(c ) Profits in lieu of	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others (specify)	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total (A)</b>	600000	480000	480000	1560000
	<b>Ceiling as per the Act</b>				

**B. Remuneration to other directors:**

Sl.No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Name of Independent Directors	Mrs. Amita Premswaroop Patel	Mr. Atul Krishan Khandelwal	
	(a) Fee for attending board	0	0	0
	(b) Commission	0	0	0
	(c ) Others, please specify	0	0	0
	<b>Total (1)</b>	0	0	0
2	Other Non Executive Directors	0	0	0
	(a) Fee for attending	0	0	0
	(b) Commission	0	0	0
	(c ) Others, please specify.	0	0	0
	<b>Total (2)</b>	0	0	0
	<b>Total (B)=(1+2)</b>	0	0	0
	<b>Total Managerial Remuneration</b>	0	0	0
	<b>Overall Cieling as per the Act.</b>			

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	Mrs. Sapna Jhalani (NED)	CS Garima Mahalaha	Naresh Jhalani (CFO)	Total
	(a) Salary as per	0	252000	480000	732000
	(b) Value of perquisites	0	0	0	0
	(c ) Profits in lieu of	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>		252000	480000	732000

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment /Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>	Nil				
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS</b>					
Penalty					
Punishment					
Compounding					

Place :

Ratlam

**For SHRI RAM SWITCHGEARS LIMITED**

Date :

26.08.2019

Sd/-

Sd/-

**Rohit Kumar Jhalani**

**Nilesh Kumar Jhalani**

**Whole Time Director (DIN :**

**Managing Director (DIN :**

Shri Ram Bhawan, Goshala Road, Ratlam, 457001, Madhya

242/243, Gaushala Road Shri Ram Bhawan, Ratlam 457001

FORM NO. AOC -2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions'	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

**2. Details of material contracts or arrangements or transactions at Arm's length basis.**

S. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Ratlam Electric Stores Prop. Mr. Chaitanya Kumar Jhalani (Father of Mr. Nilesh Kumar Jhalani - MD)
b.	Nature of contracts/ arrangements/ transaction	Purchase of goods
c.	Duration of the contracts/ arrangements/transaction	Ongoing
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 23,99,463/-
e.	Date of approval by the Board	Not required as the transaction is in ordinary course of business and at arm's length
f.	Amount paid as advances, if any	Nil

For & on behalf of the Board of Directors

Sd/-

Sd/-

Place : Ratlam  
Date : 26.08.2019

**Rohit Kumar Jhalani**  
Whole Time Director (DIN :  
00666443)  
Shri Ram Bhawan, Goshala  
Road, Ratlam, 457001, Madhya  
Pradesh, India

**Nilesh Kumar Jhalani**  
Managing Director (DIN:  
01462299)  
242/243, Gaushala Road  
Shri Ram Bhawan, Ratlam  
457001 MP IN

**Disclosure in Board's Report as per provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**I Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Requirements	Disclosure		
		Name of Director	Category	Ratio
1	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:	Nilesh Jhalani	Managing Director	2.22
		Devraj Jhalani	Whole-time Director	1.78
		Rohit Kumar jhalani	Whole-time Director	1.78
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2018-19 are as follows			
		<b>Name of Director</b>	<b>2018-19 (in Rs.)</b>	<b>2017-18 (in Rs.)</b>
		Nilesh Jhalani (Managing Director)	600000	600000
		Devraj Jhalani (Whole-time Director )	480000	480000
		Rohit Kumar jhalani (Whole-time Director )	480000	480000
		<b>Total</b>	<b>1560000</b>	<b>1560000</b>
		Naresh Jhalani (Chief Financial Officer)	480000	400000
		Garima Mahalaha (Company Secretary cum Compliance Officer)	252000	252000
3	Percentage increase in the median remuneration of employees in the financial year 2018-19			
		<b>Particulars</b>	<b>2018-19 (in Rs.)</b>	<b>2017-18 (in Rs.)</b>
		Median Remuneration of all employees per annum	270000	270000
4	Number of permanent employees on the rolls of company	51	53	-3.77
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	No Change in average percentile salaries of employees. Whereas, there is no increase in the salary of all Managerial Personnel except Mr. Naresh Jhalani, CFO. It proves that the Company always works for the betterment of its employees and its efforts are concentrated towards the growth of the Company along with the employees.		
6	Key parameters for the variable component of remuneration availed by the Directors	The key parameters for the variable component of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.		
7	Affirmation that the remuneration is as per the remuneration policy of the company	Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company during the year.		
8	Disclosure pursuant to Section 197 (14) of the Companies Act, 2013	There is no Director who receives any commission from the Company, even the Managing Director of the Company does not receive any Remuneration or Commission from Subsidiary Companies.		

**NOTE:-**

- The Non Executive Independent Directors are not being paid any remuneration during the financial year . They are not entitled to receive any other remuneration.
- In computation of Median Remuneration, Provident Fund is not included.

**For SHRI RAM SWITCHGEARS LIMITED**

Sd/-

**Rohit Kumar Jhalani**

**Whole Time Director (DIN : 00666443)**

Shri Ram Bhawan, Goshala Road, Ratlam, 457001, Madhya Pradesh, India

Sd/-

**Nilesh Kumar Jhalani**

**Managing Director (DIN : 01462299)**

242/243, Gaushala Road Shri Ram Bhawan, Ratlam 457001 MP IN

**Annexure IV**

**II Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

The names of top 10 employees in terms of Remuneration drawn during the year are given as follows:

Sr. No.	Name of the Employee	Remuneration received
1	Manuraj Jhalani	600000
2	Pooja Jhalani	360000
3	Manish Pandey	308000
4	Nitin Bhatt	300000
5	Shashank Singh Chouhan	290492
6	Narendra Sing Solanki	282380
7	Dilip Singh Chandrawat	222924
8	Bal Kishan Patidar	211154
9	Imran Khan	208557
10	Ikram Khan	208557

**There was no employee during the year, who:**

i	If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, one crore and two lakh rupees ;
ii	If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less eight lakh and fifty thousand rupees per month;
iii	If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company

**For SHRI RAM SWITCHGEARS LIMITED**

Sd/-

**Rohit Kumar Jhalani**

**Whole Time Director (DIN : 00666443)**

Shri Ram Bhawan, Goshala Road, Ratlam, 457001,  
Madhya Pradesh, India

Sd/-

**Nilesh Kumar Jhalani**

**Managing Director (DIN : 01462299)**

242/243, Gaushala Road Shri Ram  
Bhawan, Ratlam 457001 MP IN

**Annexure - V**

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

**a) Conservation of energy**

(i)	The steps taken or impact on conservation of energy	The company is taking all possible steps to conserve the energy to the maximum extent. Further, the company is always installing such plant & machinery and such electrical devices which minimize the power consumption.
(ii)	The steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	The capital investment on energy conservation equipments	Nil

**(B) Technology absorption**

(i)	The efforts made towards technology absorption	No further investment is made in Plant & machinery during the year except for an investment of Rs. 60,000/- in office equipments and furniture and Rs. 38,000/- in computers.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported	Nil
	(b) the year of import;	Nil
	(c) whether the technology been fully absorbed	Nil
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	the expenditure incurred on Research and Development	Nil

**(C) Foreign exchange earnings and Outgo**

Earnings	Nil
Outgo	Nil

Place : Ratlam  
Date : 26.08.2019

For & on behalf of the Board of Directors

Sd/-  
**Rohit Kumar Jhalani**  
**WTD (DIN : 00666443)**

Shri Ram Bhawan, Goshala  
Road, Ratlam, 457001, Madhya  
Pradesh, India

Sd/-  
**Nilesh Kumar Jhalani**  
**MD (DIN: 01462299)**

242/243, Gaushala  
Road, Shri Ram  
Bhawan, Ratlam  
457001 MP IN

**FORM NO. MR 3**  
**SECRETARIAL AUDIT REPORT**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9  
of the Companies (Appointment and Remuneration Personnel) Rules,  
2014]

**FOR FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2019**

**To,**  
**The Members,**  
**Shri Ram Switchgears Limited,**  
**Shri Ram Bhawan, Goushala Road,**  
**Ratlam , M. P.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shri Ram Switchgears Limited having CIN L31200MP1985PLC003026 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Shri Ram Switchgears Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Shri Ram Switchgears Limited ("The Company") for the financial year ended on 31<sup>st</sup> March 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;.



- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ..... (Not applicable to the company during the period under review)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ..... (Not applicable to the company during the period under review)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ..... (Not applicable to the company during the period under review) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ..... (Not applicable to the company during the period under review)

(vi) Other specifically applicable laws to the company:

I further report that, based on the information provided by the company, its officers and authorized representatives during the conduct of audit and also on review of periodic compliance report issued by respective departmental head/Company Secretary/ Executive Directors/ Internal Auditor taken on record by the Board of directors of the company, in my opinion, adequate system and processes control mechanism exist in the company to monitor compliance with generally applicable laws like labor laws, environmental laws and other legislations.

I further report that the compliance by the company with other financial laws like Direct and Indirect Tax Laws, GST and others detailed under tax legislations have not been reviewed and I have relied upon representations made by the company, its officers and reports issued by statutory auditors.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

**I further report that :**

- a. the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c. The decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

**I further report that**

- a. there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b. there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs during the year under review.

Place : Indore  
Date : 26.08.2019

Signature Sd/-  
**CS SHWETA GARG**  
**FCS : 5501**  
**CP NO : 4984**

Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part of this report.

**Annexure A to Secretarial Audit Report**

**To,**  
**The Members,**  
**Shri Ram Switchgears Limited,**  
**Shri Ram Bhawan, Goushala Road,**  
**Ratlam, M. P.**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Indore  
Date : 26.08.2019

Signature

Sd/-

**CS SHWETA GARG**  
**FCS : 5501**  
**CP NO : 4984**

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT****FINANCIAL YEAR 2018-19 - A GLANCE**

Power is one of the critical component of infrastructure crucial for the economic growth and welfare of nation. The existence and development of the adequate infrastructure is essential for the substantial growth of the Indian economy.

India's power sector is the one of the most diversified sector in the world. In India, source of power generation range from conventional sources such as Coal, Lignite, Natural gas, Oil, hydro and Nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste etc. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed capacity is required.

India ranks third among 40 countries in EY's Renewable Energy Country Attractiveness Index, on back of strong focus by the government on promoting renewable energy and implementation of projects in a time bound manner.

**Economic Background and Financial Background**

India, a South Asian nation, is the seventh-largest country by area, the second-most populous country with over 1.25 billion people, and the most populous democracy in the world. India is the fourth largest economy in the world in terms of purchasing power parity (PPP). India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF).

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

We are involved in the engineering and manufacturing of Electrical products. We manufacture Transformers (EHV, Power, Distribution, and Special Application) upto 5 mVA - 132 kV Class as well as Oil Type Compact Sub-Stations. We manufacture full range of HT & LT switchgears from Distribution boards to Distribution Boxes, Control and Relay Panel, Feeder Pillars, ACB Boxes, Single Phase Boxes, MCB & MCCB panels, Junction Boxes, A.C./D.C. Boards and other related products. We also undertake EPC contracts in the Power Transmission and Distribution sector covering full range from design and engineering to testing and commissioning of electrical sub stations and transmission lines. Our Company is eligible for the power development projects issued by World Bank and Asian Development Bank. We have a vast experience in the power sector and have whole gamut of Power Distribution and Transmission products in our product portfolio. This enables us to undertake and complete EPC contracts within quickest time frame and of the highest quality standards.

Our customers are majorly the Power DISCOMs (Distribution Companies). We cover the states of Maharashtra, Rajasthan, Gujarat, Madhya Pradesh, Delhi, Odisha, Uttar Pradesh for supply of our products and services. From engineers to skilled labours, everyone is motivated to manufacture the highest quality products in our company. Our Company has put a lot of systems in place for quality check and control. We have been accredited with "ISO:9001-2008" certification for design and development, production, installation & marketing of electrical switchgear & transformers. We have always been a front runner in adapting technology ahead of its times.

For our manufacturing facility, we do not need a water or air treatment plant as we are proud to say that our plant is a zero pollution emission plant and received certificate from District Trade & Industries Centre,

Ratlam. Our company is a member in general category by Confederation of Indian Industry (CII) for its State Council of Madhya Pradesh.

## **Outlook**

The company carries a strong goodwill due to its fair dealings and straight policies. The company believes that its long association and strategic arrangement with the suppliers, customer, banks and governments will be quite beneficial in the long run and shall provide various opportunities to the company in its business. The company is trying to keep up with the pace of growth of the Indian economy.

## **Opportunities**

The recent modernization and expansion program has enabled the company to reduce cost of production substantially. The management has also planned to introduce new value added products in the near future. The company is also trying to trap new areas for marketing its products.

- The opening up of new transmission projects and the debottlenecking of old stuck projects has led to order wins by many firms in the recent past for the Power Transformers.
- The upcoming new transmission projects and the green energy corridor will see more uptick in the power transformer segment going forward.
- The announcement of UDAY, RAPDRP, PPR & DDUGJY and the participation of 15 States already in the program has given many players some hope that the fiscal condition of DISCOM would improve and this would lead to more aggressive DTR purchases in the next few years to reduce the losses.

## **Threats**

We operate in an increasingly high competitive market, with participation of organised and unorganised sector. We face competition from other manufacturers, traders, suppliers and importers of electric equipment in relation to our offerings. Suppliers in the electric equipment industry are based on key attributes including technical competence, product quality, strength of sales and distribution network, pricing and timely delivery. While our competitors in the organised sector focus more on technology and quality of their products, their unorganised counterpart supply their products at extremely competitive prices, which we may be unable to effectively compete with. For instance, we face competition from electric equipment of Chinese origin, primarily in the switch gear and lighting equipment verticals, which have gained significant presence in the Indian electric equipment market and which may be sold at more competitive prices than what we offer.

## **Internal Control System and Adequacy**

The company has adequate internal control procedure commensurate with its size and nature of the business the internal control system is supplemented by regular reviews by management and well documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements the company continuously upgrades this systems in line with best accounting practices the company is benefited from having a team of professionals as promoter and independent directors who are capable of exercising various checks and controls effectively.

## **REVIEW OF OPERATIONAL AND FINANCIAL PERFORMANCE**

### **1. Sources of funds/ Application of funds**

#### **(a) Share Capital**

At present, the Company has only one class of shares – equity shares of par value of Rs. 10/- each. The Company's authorized share capital is Rs. 1200 Lakhs, divided into 120 Lakhs equity shares of Rs. 10/- each. The issued, subscribed and paid up capital stood at Rs. 1001.65 Lakhs as on March 31, 2019.

#### **(b) Security Premium Reserve**

The balance in securities premium reserve account as on March 31, 2019 amounted to Rs. 240.30 Lakhs.

### **(c) Profit and Loss Account**

The balance in the Profit and Loss account as at March 31, 2019 is Rs. 667.93 Lakhs, which has increased from Rs. 590.67 Lakhs as reported in the previous year.

### **2. Deferred Tax Assets / Liabilities**

We recorded an increase in deferred tax assets to Rs. 14.03 Lakhs as on March 31, 2019 as compared to Rs. 12.40 Lakhs during the previous year. We assess the likelihood that our deferred tax assets will be recovered from future taxable income. Deferred Liabilities were reported to be Nil.

### **3. Trade Receivables**

There is a decrease in trade receivables of the company as compared to previous year. The figure of Trade Receivables was reported at Rs. 3991.23 Lakhs as on March 31, 2019 which was Rs. 4498.46 Lakhs as on March 31, 2018.

### **4. Cash & Cash Equivalents**

The Cash & Cash Equivalents of the company is being increased as compared to previous financial year. The figure of Cash & Cash Equivalents was reported at Rs. 584.43 Lakhs as on 31<sup>st</sup> March, 2019 which was Rs. 475.39 Lakhs in the previous year.

### **5. Income from Operations**

Income from operations reported a figure of Rs. 76.59 Lakhs as on 31<sup>st</sup> March, 2019 as compared to Rs. 346.43 Lakhs in the previous year ended 31<sup>st</sup> March 2018.

### **6. Revenue**

Total revenue from operations decreased from 5495.49 Lakhs as on 31<sup>st</sup> March 2018 to Rs. 2820.46 Lakhs as on 31<sup>st</sup> March 2019.

### **7. Other Income**

Income from other sources during the current year ended 31<sup>st</sup> March, 2019 was Rs. 75.54 Lakhs as compared to Rs. 58.71 Lakhs in the previous Financial Year ended 31<sup>st</sup> March 2018.

### **8. Earning Per Share**

Earnings per share for the Financial Year 2018-19 is Rs. 0.77/- in comparison to figure reported for Financial year 2017-18 i.e. Rs. 2.36/-.

### **Human resources**

The company has impressive record of maintaining human relations at all levels in past. Due to the professional approach of the management, the company has rarely faced any unrest or discomfort in connection with employee relation. The management and employee relationships remained cordial even during period of restructuring of employees/labor force.

Your company's philosophy on people is deep rooted in building and nurturing talent and leadership within the organization. We believe that our people have always been the drivers of innovation, efficiency and productivity leading to our consistent track record of growth The Company continuously

invests in the development of its human resources through a series of employee friendly measures aimed at talent acquisition, development, motivation and retention. Our focus and belief lies in enabling and empowering our talent pool for the challenges of tomorrow by providing new avenues of learning and development through behavioral and leadership interventions.

Human Resources at Shri Ram Group of Industries serve as a steward for excellence and leadership through:

- Organizational effectiveness by ensuring good governance and adopting best practices
- Fair process for recruitment, retention and enrichment
- Continuous Employee Engagement
- By providing regular performance based incentives

Employee engagement at the company does not end with hiring of an employee; in fact it begins with the employee's appointment and continues through his whole career span in the organization.

The company is also carrying regular performance appraisal of employees to enable them identify their strengths and weaknesses and to strive for better performance.

#### **Details of changes in Key Financial Ratios**

Following is the comparative chart of all the significant financial ratios of the company

S. No.	Type of Ratio	2019	2018
1.	Debtors Turnover Ratio	0.66	1.26
2.	Inventory Turnover Ratio	0.45	1.17
3.	Interest Coverage Ratio	1.13	1.57
4.	Current Ratio	1.99	1.85
5.	Debt Equity Ratio	3.62	3.58
6.	Operating Profit Margin Ratio	0.24	0.17
7.	Net Profit Margin Ratio	0.03	0.04

#### **CAUTIONARY STATEMENT**

*This report contains several forward-looking statements that involve risks and uncertainties, including, but not limited to, risks inherent in Shri Ram's growth strategy, acquisition plans, dependence on certain businesses, dependence on availability of qualified and trained manpower, economic conditions, government policies and other factors. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto*





**KVNG & ASSOCIATES**  
**Chartered Accountants**

**Branch Office:**  
308-310, Sapna Chamber, 12/1 South  
Tukoganj, Indore 452001 (MP)  
Phone: (O) 0713-2511196, 4050494  
Mob: +91-98932 84638  
Email : tejsinghkothari@gmail.com

**INDEPENDENT AUDITOR'S REPORT**

**THE MEMBERS OF  
SHRI RAM SWITCHGEARS LIMITED**

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

**Opinion**

We have audited the accompanying financial statements of **SHRI RAM SWITCHGEARS LIMITED**, ("the company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

**Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial

performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions 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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-Section (11) of Section 143 of The Companies 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.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
  - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - II. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
  - III. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings

For **KVNG & Associates**  
Chartered Accountants  
(F. R. No. 002628C)

**Sd/**  
**CA T.S. Kothari**  
Partner  
M No. 075877

Place: RATLAM

Date: 18.05.2019

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

In terms of Companies (Auditor’s Report) Order 2016, issued by Central Government of India, in terms of Section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that:-

1. (i) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (ii) Fixed assets have been physically verified by the management at regular intervals. As informed to us no Material discrepancies were noticed on such verification.
- (iii) Based on our verification and according to information and explanations given to us, The title deeds of immovable properties shown in the financial statements are held in the name of the company.
2. Physical verification of inventory has been conducted at reasonable intervals by management. The discrepancies notices were properly dealt with in the books of account of the Company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, LLPs, or other parties covered in register maintained under Section 189 of The Companies Act, 2013.
4. The Company has not given any loans or guarantees/made any investments within the meaning of Section 185 & 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits in accordance with the provisions of Section 73 to 76 of the Act and the rules framed thereunder.
6. The Company has not fall under the purview of the Companies as specified in sub-Section (1) of Section 148 of The Companies Act, 2013 and thus aforesaid Rules regarding Cost Audit is not applicable.
7. (i) The Company is regular in depositing undisputed statutory dues with appropriate authorities. However Provision of statutory dues as shown in current liabilities are yet not paid.
- (ii) According to the information and explanation give to us, there are no material statutory dues which have not been deposited with appropriate authorities on account of any dispute, except the following:

NAME OF THE STATUTE	SECTION	RELATING PERIOD	PENDING WITH	O/S DEMAND
			JURISDICTION	AMOUNT
INCOME TAX ACT, 1961	220(2)	A.Y. 2010 – 11	CPC	1046
INCOME TAX ACT, 1961	143(3)	A.Y. 2013 – 14	CPC	237952
INCOME TAX ACT, 1961	201	A.Y. 2014- 15	CPC	3897

Total Demand of Rs. 2,56,029/- is outstanding in respect of TDS as on May 2019 for various assessment years.

8. In our opinion and according to the information and explanation give to us, the Company has not defaulted in any repayment of dues to any financial institution or bank.
9. According to the information and explanation give to us, the term loans has been utilized for the purposes for which they were obtained.

10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers/employees have been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The transactions entered into with related parties are in compliance with Section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
13. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
14. The Company has not entered into any non-cash transactions with directors or persons connected with him, during the year.
15. The Company is not required to be registered under Section 45-IA of The Reserve Bank of India Act, 1934.

For **KVNG & Associates**

Chartered Accountants

(F. R. No. 002628C)

Sd/-

**CA T.S. Kothari**

Partner

M No. 075877

Place: RATLAM

Date: 18.05.2019

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

### **Report on the Internal Financial Controls**

#### **Under Clause (I) of Sub-Section 3 of Section 143 of the Companies Act, 2013**

##### **Opinion**

We have audited the internal financial controls over financial reporting of **SHRI RAM SWITCHGEARS LTD.** as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

##### **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.

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 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:

- (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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

For **KVNG & Associates**

Chartered Accountants

(F. R. No. 002628C)

Sd/-

**CA T.S. Kothari**

Partner

M No. 075877

Place : RATLAM

Date : 18.05.2019



# SHRI RAM SWITCHGEARS LIMITED

**BALANCE SHEET AS AT 31ST MARCH, 2019**

Particulars		Note No.	As at 31-3-2019	As at 31-3-2018
<b>A</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
I	<b><u>SHAREHOLDERS' FUNDS</u></b>			
(a)	Share Capital	1	100,105,650	100,105,650
(b)	Reserves and Surplus	2	92,457,600	84,731,383
	(I)		192,563,250	184,837,033
II	<b><u>NON-CURRENT LIABILITIES</u></b>			
(a)	Long-Term Borrowings	3	197,457,093	180,233,472
(b)	Deferred Tax Liabilities	4	-	-
(c)	Long-Term Liabilities	5	70,160,390	45,503,341
	(II)		267,617,483	225,736,813
III	<b><u>CURRENT LIABILITIES</u></b>			
(a)	Short-Term Borrowings	6	171,432,164	168,912,438
(b)	Trade Payables	7	181,683,545	186,467,208
(c)	Other Current Liabilities	8	70,003,162	63,673,504
(d)	Short-Term Provisions	9	6,623,873	17,131,696
	(III)		429,742,744	436,184,846
	<b><u>TOTAL RUPEES (I + II + III)</u></b>		<b>889,923,477</b>	<b>846,758,692</b>
<b>B</b>	<b><u>ASSETS</u></b>			
I	<b><u>NON-CURRENT ASSETS</u></b>			
(a)	<b><u>Fixed Assets</u></b>			
	Tangible Assets	10	28,773,096	34,513,506
(b)	Deferred Tax (assets)		1,403,784	1,239,866
(c)	Long-Term Loans and Advances	11	5,516,564	5,155,716
	(I)		35,693,444	40,909,088
II	<b><u>CURRENT ASSETS</u></b>			
(a)	Inventories	12	348,893,508	263,734,878
(b)	Trade Receivables	13	399,122,644	449,845,584
(c)	Cash and Bank Balances	14	58,442,795	47,538,594
(d)	Short-Term Loans and Advances	15	37,858,751	28,066,518
(e)	Other Current Assets	16	9,912,335	16,664,030
	(II)		854,230,033	805,849,604
	<b><u>TOTAL RUPEES (I + II)</u></b>		<b>889,923,477</b>	<b>846,758,692</b>
	Significant Accounting Policies & Practices and Other Notes	26		
Notes form integral part of these financial statements			AS PER OUR REPORT OF THE EVEN DATE FOR : <b>KVNG &amp; ASSOCIATES</b> CHARTERED ACCOUNTANTS	
PLACE : RATLAM DATED : 18.05.2019				
For and on behalf of the Board of Directors				
Sd/-		Sd/-	Sd/-	Sd/-
<b>Ms. Garima Mahalaha</b>	<b>Nilesh Jhalani</b>	<b>Devraj Jhalani</b>	<b>Naresh Jhalani</b>	<b>T.S Kothari</b>
Company Secretary	Managing Director	Director	CFO	PARTNER
<b>M No. A37073</b>	<b>Din : 01462299</b>	<b>DIN - 01462323</b>		<b>M. NO. 075877</b>

# SHRI RAM SWITCHGEARS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars		Note No.	For the Year ended 31-3-2019	For the Year ended 31-3-2018
I	<b>REVENUE</b>			
	Revenue from Operations	17	282,045,941	551,288,239
	Less : Excise Duty Collected		-	1,739,399
II	Other Income	18	282,045,941 7,554,155	549,548,840 5,871,427
III	<b>TOTAL REVENUE (I + II)</b>		<b>289,600,096</b>	<b>555,420,267</b>
IV	<b>EXPENSES</b>			
(a)	Cost of Materials Consumed	19	200,146,420	294,376,893
(b)	Cost of Traded Good	20	-	-
(c)	Manufacturing and Operating Costs	21	13,230,608	32,528,189
(d)	Changes in Inventories of Finished Goods, Work-In-Progress and Traded Goods	22	(61,641,013)	5,473,055
(e)	Employees' Benefit Expenses	23	18,935,857	26,373,472
(f)	Finance Costs	24	70,486,074	76,313,263
(g)	Other Expenses	25	35,037,369	78,532,754
(h)	Depreciation		5,745,889	7,179,798
	<b>TOTAL EXPENSES (IV)</b>		<b>281,941,204</b>	<b>520,777,424</b>
V	Profit before exceptional and extraordinary items and tax (III-IV)		7,658,892	34,642,843
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V+VI)		7,658,892	34,642,843
VIII	Extraordinary items		-	-
IX	Profit before Tax (VII-VIII)		<b>7,658,892</b>	<b>34,642,843</b>
X	Tax Expense:			
(a)	Current Tax		2,046,002	12,514,815
(b)	(Less) : MAT Credit		-	-
(c)	Excess provision of Previous year written off		(1,949,409)	-
(d)	Deferred Taxation		(163,918)	(357,000)
			(67,325)	12,157,815
XI	Profit for the year (IX-X)		<b>7,726,217</b>	<b>22,485,028</b>
XII	Earnings per share (of Rs.10/- each):			
(a)	Basic		0.77	2.36
(b)	Diluted		0.77	2.36
	Significant Accounting Policies & Practices and Other Notes	26		

Notes form integral part of these financial statements

PLACE : RATLAM  
DATED : 18.05.2019

For and on behalf of the Board of Directors

AS PER OUR REPORT OF THE EVEN DATE  
**FOR : KVNG & ASSOCIATES**  
CHARTERED ACCOUNTANTS

Sd/-  
**Ms. Garima Mahalaha**  
Company Secretary  
**M No. A37073**

Sd/-  
**Nilesh Jhalani**  
Managing Director  
**Din : 01462299**

Sd/-  
**Devraj Jhalani**  
Director  
**DIN - 01462323**

Sd/-  
**Naresh Jhalani**  
CFO

Sd/-  
**T.S Kothari**  
PARTNER  
**M. NO. 075877**

**SHRI RAM SWITCHGEARS LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET**  
**AS AT 31ST MARCH, 2019 AND STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED ON THAT DAY**

**NOTE - 1 - SHARE CAPITAL**

A Authorised and Paid-up Share Capital

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b><u>AUTHORISED</u></b>				
Equity Shares of Rs.10/- each	12,000,000	120,000,000	12,000,000	120,000,000
<b><u>ISSUED, SUBSCRIBED &amp; PAID-UP</u></b>				
Equity Shares of Rs.10/- each Fully Paid-up	10,010,565	100,105,650	10,010,565	100,105,650
<b><u>TOTAL</u></b>	10,010,565	100,105,650	10,010,565	100,105,650

The company has issued only one class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

B. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	10,010,565	100,105,650	7,340,565	73,405,650
Shares issued during the year	-	-	2,670,000	26,700,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,010,565	100,105,650	10,010,565	100,105,650

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1 Shri Umesh Kumar Jhalani	1502955	15.01	1502955	15.01
2 Smt. Premlata Devi Jhalani	758040	7.57	758040	7.57
3 Shri Devraj Jhalani	1516590	15.15	1516590	15.15
4 Smt Shobha Devi Jhalani	526725	5.26	526725	5.26
5 Shri Manuraj Jhalani	555000	5.54	555000	5.54
6 Smt. Sapna Devi Jhalani	1129275	11.28	1129275	11.28
7 Shri Rohit Kumar Jhalani	423750	4.23	423750	4.23

**NOTE - 2 - RESERVES AND SURPLUS**

Particulars		31-3-2019	31-3-2018
A.	<b><u>Capital Reserve</u></b>		
	Balance as per last year	1,634,217	1,634,217
	(A)	1,634,217	1,634,217
B.	<b><u>Securities Premium Account</u></b>		
	Balance as per last year	24,030,000	24,030,000
	(B)	24,030,000	24,030,000
C.	<b><u>Surplus</u></b>		
	Balance as per last year	59,067,166	36,582,138
	Add : Net Profit transferred from Statement of Profit and Loss	7,726,217	22,485,028
	Less : Surplus Utilized during the year for Issue of Bonus Shares		-
	(C)	66,793,383	59,067,166
	<b><u>TOTAL RUPEES</u></b> (A+B+C)	92,457,600	84,731,383

**NOTE - 3 - LONG-TERM BORROWINGS**

Particulars		31-3-2019	31-3-2018
A	<b><u>Term Loans</u></b>		
	<b><u>Secured</u></b>		
	From Banks	80,921,536	91,026,294
	From Non-Banking Finance Companies	84,781,770	60,471,558
	(A)	165,703,306	151,497,852
B	<b><u>Loans and Advances from related parties</u></b>		
	<b><u>Unsecured</u></b>		
	From realated parties	47,333,604	44,203,841
	From Share Holders	-	-
	(B)	47,333,604	44,203,841
C	<b><u>Other Loans and Advances</u></b>		
	<b><u>Unsecured</u></b>		
	From Body Corporates	2,067,500	2,067,500
	(C)	2,067,500	2,067,500
Less:	Current Maturity of Long Term Debts	17,647,317	17,535,721
	<b><u>TOTAL RUPEES</u></b> (A+B+C)	197,457,093	180,233,472

**Nature of Security and terms of repayment for Long Term Secured Borrowings:**

S. No.	Nature of Security	Terms of Repayment
1	UCO Bank Term Loan (Against hyp of plant & machinery)	Repayable in 20 Quarterly EMI of Rs. 17,40,000/- from June 2015 to May 2020.
2	Vehicle Loan - SBI II (Against hyp of Vehicle)	Vehicle Loan - SBI II, Repayable in 78 EMI of Rs. 14,000/- from May 2015 to Dec 2021.
3	Aditya Birla Finance Ltd Indore (Against Bank Guarantee)	for meeting working capital needs
4	Vehicle Loan ICICI I (Against hyp of Vehicle)	Vehicle Loan ICICI Bank I, Repayable in 12 EMI of Rs. 50,000/- from Nov 2016 to Oct 2017, 12 EMI of Rs. 42,000/- from Nov 2017 to Oct 2018 & 12 EMI of Rs. 31,300/- each starting from Nov 2018 to Oct 2019
5	Au financiers (I) Ltd I ( Against mortgage of Immovable Property)	AU Financiers (I) Ltd. - I. Repayable in 116 EMI of Rs. 3,76,609/- from Apr 2016 to oct 2017 and then of Rs 353268/- from Nov 2017 to Nov 2025 .
6	Au financiers (I) Ltd II( Against mortgage of Immovable Property)	AU Financiers (I) Ltd. - I. Repayable in 120. EMI of Rs. 75,381/- from Jan 2016 to Dec 2017 and then of Rs 70637/- from Jan 2018 to dec 2025
7	Au Financiers (I) Ltd III Car loan (Against hyp of Vehicle)	Au Financiers (I) Ltd III Car loan , Repayable in 36 EMI of Rs. 10583 from Aug 2016 to Jul 2019, 18 EMI of Rs. 46436 from Apr2018 to Sep 2019, 18 EMI of Rs. 23218 from Apr 2018 to Sep 2019, 18 EMI of Rs. 18575 from Apr 2018 to Sep 2019
8	Au Small Finance Bank, Ratlam	Au Small Finance bank Ratlam- Repayble in120 EMI of Rs 358346/-
9	SIDBI Term Loan (Second charge by way of hyp of all immovable property of the borrower including plant & machinery, equipments & furniture)	SIDBI Term Loan. Repayable in 48 EMI of Rs. 6,25,000/- starts from Sep 2019 till Aug 2023.
10	Religare Finvest Ltd ( Against mortgage of Immovable Property)	Religare Finvest Ltd - Repayable in 100 EMI of Rs. 12,47,436/- from Apr 2016 - July 2024.

**NOTE - 4 - DEFERRED TAX LIABILITIES**

Particulars	31-3-2019	31-3-2018
Balance as per last year	-	-
Less : Reversal during the year	-	-
<b><u>TOTAL RUPEES</u></b>	-	-

**NOTE - 5 - LONG-TERM LIABILITIES**

Particulars	31-3-2019	31-3-2018
Others	70,160,390	45,303,341
Rent Deposit	-	200,000
<b><u>TOTAL RUPEES</u></b>	70,160,390	45,503,341

**NOTE - 6 - SHORT-TERM BORROWINGS**

Particulars	31-3-2019	31-3-2018
<b><u>Working Capital Loans repayable on demand</u></b>		
From Banks	171,432,164	168,912,438
[Secured by way of First/ pari passu Charge and Hypothecation of entire stock of raw materials, semi-finished and finished goods, consumables stores and spares and other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present and future]		
<u>TOTAL RUPEES</u>	171,432,164	168,912,438

**NOTE - 7 - TRADE PAYABLES**

Particulars	31-3-2019	31-3-2018
Creditors for Goods	181,683,545	186,467,208
<u>TOTAL RUPEES</u>	181,683,545	186,467,208

**NOTE - 8 - OTHER CURRENT LIABILITIES**

Particulars	31-3-2019	31-3-2018
Current Maturities of Long Term Debts	17,647,317	17,535,721
Creditors for Expenses	5,975,102	5,168,537
Advance from Customers	1,045,000	-
LC in Transit	44160206	30,542,289
Other Payables	1,175,537	10,426,957
<u>TOTAL RUPEES</u>	70,003,162	63,673,504

**NOTE - 9 - SHORT-TERM PROVISIONS**

Particulars	31-3-2019	31-3-2018
For Taxation	2,046,002	12,514,815
For Outstanding Exp	1,160,289	3,174,860
For Others	3,417,582	1,442,021
<u>TOTAL RUPEES</u>	6,623,873	17,131,696

**NOTE - 11 - LONG-TERM LOANS AND ADVANCES**

Particulars	31-3-2019	31-3-2018
Security Deposits [Unsecured, considered good]	5,516,564	5,155,716
<b><u>TOTAL RUPEES</u></b>	5,516,564	5,155,716

**NOTE - 12 - INVENTORIES**

Particulars	31-3-2019	31-3-2018
Raw Materials	97,345,750	73,828,133
Work-In-Progress including stock under billing	228,333,558	180,227,885
Finished Goods	23,214,200	9,678,860
<b><u>TOTAL RUPEES</u></b>	348,893,508	263,734,878

**NOTE - 13 - TRADE RECEIVABLES**

Particulars	31-3-2019	31-3-2018
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered Good	210,428,607	93,379,456
- Unsecured, considered Doubtful	-	-
Trade Receivables outstanding for a period of six months or less from the date they are due for payment [Unsecured, considered good]	188,694,037	356,466,128
<b><u>TOTAL RUPEES</u></b>	399,122,644	449,845,584

**NOTE - 14 - CASH AND BANK BALANCES**

Particulars	31-3-2019	31-3-2018
<b>A     <u>Cash and Cash Equivalents</u></b>		
Balances with Banks	4,150,026	717,485
Cash on Hand	2,310,220	96,181
(A)	6,460,246	813,666
<b>B     <u>Other Bank Balances</u></b>		
Fixed Deposit Accounts with more than 12 months maturity	51,982,549	46,724,928
(B)	51,982,549	46,724,928
<b><u>TOTAL RUPEES</u>     (A+B)</b>	58,442,795	47,538,594

**NOTE - 15 - SHORT-TERM LOANS AND ADVANCES**

Particulars	31-3-2019	31-3-2018
Prepaid Expenses	1,272,002	2,878,892
Advance to Employees	399,820	1,538,542
Loans & Advance to Others	31,689,323	18,589,277
Pre issue exp	4,497,606	5,059,807
<b><u>TOTAL RUPEES</u></b>	37,858,751	28,066,518

**NOTE - 16 - OTHER CURRENT ASSETS**

Particulars	31-3-2019	31-3-2018
Duties & Taxes	2,620,416	6,493,860
Advance Income Tax, TDS & TCS	7,291,919	10,170,170
<b><u>TOTAL RUPEES</u></b>	<b>9,912,335</b>	<b>16,664,030</b>

**NOTE - 17 - REVENUE FROM OPERATIONS**

Particulars	31-3-2019	31-3-2018
<b>A. <u>Sale of Products</u></b>		
Sale of Products (Manufacturing)	159,613,254	80,278,222
<u>Sale of Products( Project)</u>	101,457,096	368,646,480
(i)	261,070,350	448,924,702
Traded Goods (ii)	-	-
(A) (i+ii)	261,070,350	448,924,702
<b>B. <u>Sale of Services</u></b>		
Project Sales (Erection)	20,975,591	102,363,537
(B)	20,975,591	102,363,537
<b><u>TOTAL RUPEES</u></b> (A+B)	<b>282,045,941</b>	<b>551,288,239</b>

**NOTE - 18 - OTHER INCOME**

Particulars	31-3-2019	31-3-2018
Interest Income	3,218,288	3,226,340
Job Work received	135,120	351,714
Discount On Purchase	258,746	14,722
Insurance Claim	92,416	1,486,972
Subsidy Received	-	-
Profit on sale of car	238,542	-
Rent Received	299,039	303,130
Vat Tax Refund	3,312,004	488,549
<b><u>TOTAL RUPEES</u></b>	<b>7,554,155</b>	<b>5,871,427</b>

**NOTE - 19 - COST OF MATERIALS CONSUMED**

Particulars	31-3-2019	31-3-2018
Opening Stock	73,828,133	54,803,115
Add : Purchases	223,664,037	313,401,911
	297,492,170	368,205,026
Less : Sales as such	-	-
	297,492,170	368,205,026
Less : Closing Stock	97,345,750	73,828,133
<b><u>TOTAL RUPEES</u></b>	<b>200,146,420</b>	<b>294,376,893</b>

**NOTE - 20 - COST OF TRADED GOODS**

Particulars	31-3-2019	31-3-2018
Purchases	-	-
<b><u>TOTAL RUPEES</u></b>	<b>-</b>	<b>-</b>



**NOTE - 21 - MANUFACTURING AND OPERATING COSTS**

Particulars	31-3-2019	31-3-2018
Power Charges	1,852,781	1,879,235
Job Work Expenses	11,250,940	30,234,663
Testing Charges	126,887	414,291
<b>TOTAL RUPEES</b>	<b>13,230,608</b>	<b>32,528,189</b>

**NOTE - 22 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS**

Particulars	31-3-2019	31-3-2018
<b>A Inventories at the end of the year</b>		
Work-In-Progress including stock under billing	228,333,558	180,227,885
Finished Goods	23,214,200	9,678,860
Traded Goods		
(A)	251,547,758	189,906,745
<b>B. Inventories at the beginning of the year</b>		
Work-In-Progress	180,227,885	189,550,455
Finished Goods	9,678,860	5,829,345
Traded Goods	-	-
(B)	189,906,745	195,379,800
<b>CHANGES IN INVENTORIES (A-B)</b>	<b>61,641,013</b>	<b>(5,473,055)</b>

**NOTE - 23 - EMPLOYEES' BENEFIT EXPENSES**

Particulars	31-3-2019	31-3-2018
Directors' Remuneration	1,560,000	1,560,000
Wages to Workers	3,823,217	5,155,304
Salary to Staff	11,692,172	12,381,260
Contribution towards Provident Fund	335,573	253,055
Contribution towards ESIC	121,658	99,994
Gratuity to Staff	12,618	26,475
Bonus / Incentive to Staff	74,204	220,105
Staff & Labour Welfare Expenses	1,316,415	6,677,279
<b>TOTAL RUPEES</b>	<b>18,935,857</b>	<b>26,373,472</b>

**NOTE - 24 - FINANCE COSTS**

Particulars	31-3-2019	31-3-2018
Interest to Bank	35,485,634	35,423,146
Interest to Other	23,895,625	25,556,523
Bank Charges & Commission	11,104,815	15,333,594
<b>TOTAL RUPEES</b>	<b>70,486,074</b>	<b>76,313,263</b>

**NOTE - 25 - OTHER EXPENSES**

Particulars	31-3-2019	31-3-2018
<b>A Administrative Expenses</b>		
Stationery & Printing	158,556	217,330
Postage, Courier & Telephone Expenses	174,831	298,406
Entry Tax	43,953	96,636
Professional tax	2,500	140
Income Tax Expenses	-	1,643,540
CST	2,800	503
CGST Us 17(5)	27,670	-
Excise Duty	-	110,870
Vat Expense	14,675	-
Service Tax	-	148,926
Insurance	1,726,101	1,209,124
Statutory Audit Fees	80,000	80,000
Travelling Expense	944,844	2,099,364
Legal & Professional Expense	2,485,013	5,431,864
Labour Charges	-	115,350
Late fees CGST	1,225	-
Late Fees SGST	1,225	-

Conveyance Expense		4,203,606	7,008,212
Purchase Expense		2,635,121	4,072,645
Repairs to Factory & Office buildings		129,280	274,829
Repairs to machinery		425,255	766,854
Office Rent		372,487	323,558
Rent		189,202	1,800,000
Auditors' Exp		-	25,623
Electric Exp		28,619	43,210
Erection Charges		1,048,874	1,399,540
Fees on Tax Matters		320,000	459,200
peer review fees		17,500	15,000
Labour Welfare exp		898,347	187,733
Consulatancy Charges		846,843	1,118,695
Computer Running & Maintenance		150,476	117,927
Packing Exp		8,065	1,006,444
Preliminary Expense		562,201	562,201
Registration and Subscription Charges		346,365	271,209
Site Expense		38,000	1,382,467
Security Charges		1,083,631	859,743
Tender Fees Exp		79,590	122,454
Vat Form 32	-		117,244
Vehicle hiring Charges		176,404	790,672
Donation	-		8,351
SGST Us 17(5)		27,670	-
Round off		58	71
News Paper Exp		10,265	-
Miscellaneous		453,568	592,032
	(A)	19,714,820	34,777,967
B. <b><u>Selling &amp; Distribution Expenses</u></b>			
Freight & Insurance Expenses		281,320	985,507
Commission		493,132	2,088,213
Discount on Sales		13,937,678	38,257,098
Loading Unloading Expenses		259,713	526,240
Advertisement & Publicity		43,384	70,461
Sales Promotion Expenses		307,322	1,827,268
	(B)	15,322,549	43,754,787
<b><u>TOTAL RUPEES</u></b>	<b>(A+B)</b>	<b>35,037,369</b>	<b>78,532,754</b>

**SHRI RAM SWITCHGEARS LIMITED**  
**DETAILS OF GROUPING OF BALANCE SHEET AS AT 31ST MARCH, 2018 AND**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DAY**

**NOTE - 3 - LONG-TERM BORROWINGS**

**A Term Loans**

**(i) From Banks**

SNO.	NAME OF THE BANK	31.03.2019	31.03.2018
1	UCO Bank Term Loan (Against hyp of plant & machinery)	5558134	11108333
2	Vehicle Loan - SBI I (Against hyp of Vehicle)	0	81480
3	Vehicle Loan - SBI II (Against hyp of Vehicle)	404367	528770
4	Vehicle Loan ICICI I (Against hyp of Vehicle)	212268	622321
5	Au financiers (I) Ltd I ( Against mortgage of Immovable Property)	17921802	19477224
6	Au financiers (I) Ltd II( Against mortgage of Immovable Property)	3628268	3932148
7	Au Financiers (I) Ltd III Car loan (Against hyp of Vehicle)	643809	1669933
8	Au Small Finance Bank, Ratlam	22303477	23606085
9	SIDBI Term Loan (Second charge by way of hyp of all immovable property of the borrower including plant & machinery,	30249411	30000000
<b><u>TOTAL RUPEES</u></b>		<b>80921536.00</b>	<b>91026294.00</b>

**(ii) From Non-Banking Finance Companies**

SNO.	NAME OF THE COMPANY	31.03.2019	31.03.2018
1	Religare Finvest Ltd ( Against mortgage of Immovable Property)	54518057	60303651
2	Sundaram Finance Ltd (Against hyp of Vehicle)	0	167907
3	Aditya Birla Finance Ltd	30263713	0
<b><u>TOTAL RUPEES</u></b>		<b>84781770.00</b>	<b>60471558.00</b>

**B Loans and Advances from related parties**

**From related parties**

SNO.	NAME OF THE DIRECTOR	31.03.2019	31.03.2018
1	Chetanya Kumar Jhalani	2780404	2980404
2	Devraj Jhalani	8540460	5606442
3	Jayesh Kumar Jhalani	5530	625878
4	Madhu Jhalani	1072313	1072313
5	Naresh Jhalani	644562	1385924
6	Nilesh Kumar Jhalani	10375955	4671219
7	Premraj Jhalani	1003479	1014094
8	Rashi Jhalani	2982321	2982321
9	Rohit Jhalani	11351511	5028543
10	Sapna Jhalani	3380537	3017375
11	Shobha Devi Jhalani	3469819	3469819
12	Surbhi Jhalani	19275	544396
13	Umesh Kumar Jhalani	1707438	11805113
<b><u>TOTAL RUPEES</u></b>		<b>47333604.00</b>	<b>44203841.00</b>

**Note:** Unsecured Loans are within the stipulated limit as fixed by consortium bank

**C Other Loans and Advances**

**From Body Corporates**

SNO.	NAME OF THE DEPOSITOR	31.03.2019	31.03.2018
1	Shift CorporateServices pvt Ltd	2067500	2067500
<b><u>TOTAL RUPEES</u></b>		<b>2067500</b>	<b>2067500</b>

**NOTE - 6 - SHORT-TERM BORROWINGS****Working Capital Loans repayable on demand**

SNO.	NAME OF THE BANK	31.03.2019	31.03.2018
1	UCO Bank <b>(LEAD BANK)</b>	113362441	111704723
2	Bank Of Maharashtra <b>(Member Bank)</b>	12360072	12498165
3	IDBI Bank <b>(Member Bank)</b>	12388798	12274379
4	Oriental Bank Of Commerce <b>(Member Bank)</b>	33320853	32435171
		-	-
	<b>TOTAL RUPEES</b>	<b>171432164</b>	<b>168912438</b>

**NOTE - 7 -TRADE PAYABLES****Creditors for Goods**

SNO.	NAME OF THE PARTY	31.03.2019	31.03.2018
1	Aadinath Enterprises	3983	5983
2	Ajmera Ispat Pvt. Ltd. Ratlam	28720	28720
3	Amba Conductor Daman	55903	55903
4	Ambuja Pipes Pvt Ltd Jaipur	488279	100000
5	Amol Suresh Jaiswal Burhanpur	0	7000
6	Angels Aluminium Corporation Mumbai	70328	134815
7	Arihant infrastructure jaora	288290	1246031
8	Arihant Pole Industries,Jaora	2745	2745
9	Ascon Engineering industries rajpura	9133	19814
10	Ashtavinayak Corporation Indore	0	46993
11	Asiad Valve & Pneumatic	0	1475
12	Asian Electric Company Rajpura	61939	0
13	ASR Transcool- Bhopal	99710	7930
14	Associated Enginering Services Noida	4924	20249
15	Atlas Electronic & Electricals indore	10384	10384
16	Atul Enterprises	3990	3990
17	Auto Power Equipment Ratlam	243670	0
18	Bakelite Home Delhi	13889	0
19	Balaji Marketing Agencies Bombay Pvt Ltd	1301610	2040
20	Balaji Trading Company Delhi	137554	0
21	Basant Electricals Indore	0	330
22	Berger Paints India Ltd Indore	147306	397306
23	Bharat Auto Electric Works Ratlam	0	970
24	Bharat Glass House ratlam	14366	0
25	C & S Electric Limited Noida	0	165991
26	Cable Plaza	12037	0
27	Calance Engineering & Marketing Co Valsad	0	7080
28	Cemcon Infrastructure Pvt. Ltd.	567782	470295
29	CG Ispat Pvt Ltd Raipur	18226	18226
30	Chahek industries	0	50805
31	Champalal mangal kumar Ratlam	0	41171
32	Choudhary Transformer Udyog Jaipur	5379408	0
33	Columbia Petro chem pvt ltd Mumbai	0	2091002
34	Connectwell Industries Pvt Ltd	149913	0
35	Copper House Ahmedabad	6372	0
36	Coronil Coating Mumbai	113280	0
37	Dashmesh Tooling Kurali	21348	0
38	Dav Industries Mumbai	0	101834
39	Deep Machinery Stores Ujjain	2582	0
40	Deepshikha & Co Ujjain	0	2473
41	Deora Wires & machines Pvt. Ltd. Ahemdabad	1308558	1152766
42	Dhut Vidhyut Indore	1121	0
43	Electro Cables Industries Indore	5424	0
44	Elmex Controls Pvt Ltd Itola	13254	0
45	Elmex Electric Pvt Ltd Baroda	1227	0
46	Encon India poles Pvt. Ltd, Indore	246993	1354663
47	ERP Marketing Pvt Ltd	0	16604
48	Essar Steel Limited Indore	0	244770
49	Ezze Automobiles Ratlam	0	1341

50	Favourite Industrial Corporation Ahemdabad	6195	6195
51	G.K. Electricals	465062	0
52	Galaxy concab (India) pvt ltd Jaipur	3329916	6004829
53	Gang Industries, Ratlam	470342	375602
54	Gem Insulation House LLP	191455	0
55	Goel Steel Corporation Raipur	560574	560574
56	Govind Iron Traders- Indore	10220	10220
57	Govind Steel agency Indore	5229769	2700432
58	Goyal Steel Corporation Raipur	31000	31000
59	Grindbeck Umbergaon	91568	0
60	Hareram Industries Jamnagar	169988	0
61	Hari Flow Controls Equipments - Meerut	72865	9741
62	Hari Hardware Stores Ratlam	0	8229
63	Hemson Associates- Delhi	6490	6490
64	Himmatlal & Co Indore (Pvt) Ltd, Indore	401962	466125
65	Hindustan Equipment Pvt Ltd	10438	
66	Indermal Samarthmal, Ratlam	148570	54271
67	Jai Balaji udhyog	0	14552
68	Jain Traders Delhi	0	8260
69	Jaipur Polymer Industries	2526	0
70	Jash Engineering Ratlam	0	1300
71	Jasoria Brothers Delhi	309714	309714
72	Kapil Pumps & cables indore	3597495	5743821
73	Kataria Industries Pvt Ltd Ratlam	2052188	0
74	Khalsa Traders	7440	0
75	Khandelwal cables ltd Barodra	1590859	1590859
76	Khandelwal Enterprises Kolkata	3717	0
77	Khandelwal Enterprises Ratlam	79850	0
78	Khandelwal Suppliers Ujjain	2100	0
79	Khandelwal Traders, Ratlam	83457	141085
80	Kirti Enterprise Indore	0	1326
81	Kirti hardware stores ratlam	3658	73155
82	Kothari Industrial Corporation	58648	0
83	Kwality Engineering Works	906712	1560394
84	Lalit Gas Service, Ratlam	120463	399300
85	Luniya Brothers Ratlam	0	26757
86	M.A Machinery Ratlam	79985	10525
87	Madhya Bharat Distributers, Indore	8800	8800
88	Madhya Bharat Machinery Stores	107076	124264
89	Maganlal Premraj Ratlam	42697	85196
90	Mahalaxmi Investment & Trading Pvt,Ltd., Akola	0	456254
91	Mahalaxmi Investment & Trading Pvt,Ltd., Ratlam	52109750	56190536
92	Mahaveer Gases - Ratlam	107040	235846
93	Mahavir Chemicals - Thane	178933	222381
94	Maheshwari Industrial Concern Indore	103000	0
95	Mandsaur Cement Pipe Factory Madsaur	415038	0
96	Mangalam Automobiles , Ratlam	12980	12027
97	Mangalam Enterprises, Indore	95934	57879
98	Manoj Enterprises Indore	8732	15732
99	Maruti Engineering Works	14058	26609
100	Mayuri Engineers Pune	91800	91800
101	Metpex Corporation Ahemdabad	0	60919
102	Mohini Transformer (P) Ltd Indore	0	2260000
103	Multicare Enterprises Indore	1463514	0
104	Nandira Chemicals	0	1275
105	Navdeep Moulders Delhi	167413	532825
106	New India Cuprotec, Silvassa	0	190519
107	New Sanawaliya Electric Ratlam	3900	0
108	Nimar Borwall Khargaon	0	20000
109	Nirmar East West pole pvt ltd Khandwa	0	416
110	Novelty Aluminium & Hardware Ratlam	38077	88077
111	NSIC	49346328	49393908
112	Nu-Cork Product Pvt. Ltd, Bhiwadi	0	42952
113	Oshiv Engineers Bhopal	179765	379765
114	P Grip Electric Solutions Private Ltd Delhi	261576	0
115	P M Projects & Services Pvt ltd	6828	0
116	P. C. Industries, Gujrat	106459	104039
117	P.Chordia & Co. Ratlam	1913400	3710464
118	Pandya Stone Mines	0	42050
119	Parikh Engineering Corporation Delhi	6785	0
120	Parshavnath Polymers Ratlam	65700	59121

121	Pooja Hasthkala House, Jaipur	0	38068
122	Power Grip Electric co Delhi	0	2950
123	Pragatee India Indore	0	72636
124	Pragati Pictures (Hotel Ajanta Palace)	10040	10040
125	Precision Metalloy Meerut	123900	0
126	Precision polycom Howrah	134440	0
127	Prisha Engineering Khandawa	130238	0
128	Protech Engineering Services Raipur	9600	0
129	Punj Lloyd Ltd Sehore	47930	47930
130	Quality Agencies Indore	110165	103961
131	Quality Services & Laboratories	67319	20591
132	Rainbow Bhopal	74805	0
133	Raj Petro Specialities Pvt. Ltd., Silvassa	3212305	1211373
134	Rajabhau Pawar C/o Raju Brothers Enterprises	204	204
135	Rajesh Kumar Rameshchandra Rtm	96022	0
136	Rajeshwari Associate Bhopal	0	11210
137	Ratlam Electric Stores Ratlam	2399463	0
138	Reliable Electronic Components Pvt Ltd	1735	0
139	Renerso Technologies Pvt Ltd	2175390	0
140	Renit Power Pvt Ltd	3965085	2967029
141	Renovation Engineers	255874	0
142	Richi Scrap Dealers Jaora	7080	0
143	Rishabh Steel Traders	0	4158
144	S A International, Delhi	1218186	1673876
145	S. B. Industries	7056	7056
146	S. S. Resin industries, Kolkata	20400	20400
147	S.C. traders Pithampur	0	236293
148	Safe Welding & Industrial Safety Supplies (Swiss)	0	7847
149	Sameer Electrical & Engineering Works	1569	0
150	Sankalp Impex Jamnagar	325769	0
151	Sarafraj Bhati	0	23315
152	Savita Oil Technologies Ltd., Dadra & Nagar Haveli	822945	822945
153	Secure Meters Ltd	1099630	1599630
154	Sethiya Traders Ratlam	158200	18508
155	Shama Engineering Work Shop Barwani	0	12317
156	Shanti Metals INC.	133472	377765
157	Sharp Power Agro industries	75000	75000
158	Sheetal Electricals Delhi	18337	64210
159	Shivam Enterprises Vadodara	55207	0
160	Shree Chemicals Indore	0	41580
161	Shree Ganesh Udyog	589851	0
162	Shree ji Traders Sanawad	0	100000
163	Shree Nath Venture Dewas	14018	10974
164	Shree Parshwanath Enterprises, Jaora	13000	13000
165	Shree Parshwanath Infrastructure, Jaora	990912	1103083
166	Shree Sawariya Transport Service Ratlam	0	63500
167	Shree Traders Ratlam	250000	0
168	Shree Virendra Hardware, Ratlam	48628	578
169	Shreepal Electric Stores, Ratlam	0	3509
170	Shri Dalal Marketing Ratlam	15220	62338
171	Shri Ram Switchgears Ratlam	9234489	17956489
172	Shri Shiv Electric Works Ratlam	670	0
173	Shri Vinayak Agencies	15281	123071
174	Sign World Meerut	23128	12862
175	Sneh Enterprises, Indore	1113659	1006397
176	Sonkhia Brothers Delhi	123310	0
177	Sourabh Agro Burhanpur	0	4650
178	SPM power & telecom pvt ltd Hyderabad	1088109	1088109
179	SRP Industries Meerut	74768	0
180	SRP Pumps Pvt Ltd. Ratlam	22758	5214
181	Standard Engineering Works Ratlam	24544	0
182	Starling Associates Pvt Ltd Indore	35385	135385
183	Subhash Shankarlal	0	2188
184	Suman Spring Co. Noida	31075	38109
185	Sumendra Singh Tanwar	0	39521
186	Suraj Welding and Safety Equipments Indore	83780	0
187	Sushil Chandra Krishna Chandra	596414	596414
188	Tayal Procelain Khurja	280368	0
189	Techno Sales Indore	89389	100801
190	Tejal Realtors Pvt Ltd	1675	0
191	Thakur Reductants Pvt Ltd Surat	62776	0

192	Tirupati Packo Plast, Ratlam	24387	24387
193	Trade India Ratlam	7080	0
194	Trade Link Dewas	9452	0
195	Trans Solution Indore	1334843	0
196	Trinity Electric Syndicate Switchgear Mumbai	0	22656
197	United Engineers & Co. Indore	117116	262893
198	Urban Development & Trust Pvt Ltd	9545643	10180643
199	Vansh Bahadur Borasi	0	24423
200	Vardhman Enterprises Jamnagar	140092	0
201	Vijay Enterprises Pvt Ltd Ahmedabad	236255	120921
202	Vijay Mercentile Pvt Ltd	0	117639
203	Vikas Radiators Pvt. Ltd., Mumbai	173027	173027
204	Viral Enterprises Jamnagar	0	65580
205	Vishal Trading Co Indore	17500	17500
206	Wellman Power Pvt Ltd Gurgaon	712520	712520
207	Wound Component P Ltd	0	467826
		<b>181683545.00</b>	<b>186467208.00</b>
	<b>TOTAL RUPEES</b>	<b>181683545.00</b>	<b>186467208.00</b>

#### **NOTE - 8 - OTHER CURRENT LIABILITIES**

##### **A Creditors for Expenses**

SNO.	NAME OF THE PARTY	31.03.2019	31.03.2018
1	ABC Ceat Cover	0	19238
2	Advance Computer Ratlam	6000	0
3	Arihant Computers. Ratlam	0	32261
4	Arihant Led House, Ratlam	4542	0
5	Arpit Choudhary	8397	8397
6	Asgar Khan	18673	0
7	Ashok Roadlines, Ratlam	224780	129700
8	B.R. roadlines (India) pvt ltd Mumbai	0	2089
9	B.R. roadlines (India) pvt ltd Ratlam	246364	23530
10	Balaji Chat House	1442	0
11	Best Roadlines Udaipur	0	6000
12	Bhagat Radio & Spare Parts	5600	0
13	Big Share Service	0	27000
14	Central Depository Services (India) Ltd.	0	14183
15	Century Cargo Movers Services	50001	50001
16	Daksh Travels Indore	179425	179425
17	Dhanjay Yadav	0	19846
18	Dharam Veer Shekhawat	0	47231
19	Discom Computers Indore	5000	5000
20	Fenesta Building System - Bhiwadi	53761	53761
21	Fly King Courier Services Ratlam	3394	0
22	Ganesh Lokhande	30390	0
23	Guru kripa Dugdh Dairy & Traders Ratlam	9144	13715
24	Hindustan Engineers	500	0
25	Hitesh Foods Ratlam	2256	0
26	Hotel Ajanta Palace	4264	50693
27	Innovation Transformer & Service Pune	162650	233450
28	Ishwar Singh Ujjain	129587	49779
29	Jhalani Yatayat Ratlam	36000	0
30	Jivan Das Guru Das Beragi	25306	0
31	K.R.Patel & Associates	2589000	2914000
32	Kamal Kumar Jain - Ratlam	14000	14000
33	Kishore Transport Ratlam	0	28500
34	KVNG & Associates Indore	87750	102600
35	Laxman Bahadar	47543	17602
36	Madhya Pradesh Tyre Co.	0	7700
37	Mahesh Merawat	0	78628
38	Mangal Deep Chemist	143182	0
39	Manish Rathore	38765	61227
40	Nagawat Stores	48030	0
41	Nahar Singh Abahy Singh Rathore	70870	68140
42	Narendra Singh Bapu Singh Rajput	0	22832

43	Narendra Singh Pawar	36844	36844
44	New Grasim K Sweets & Namkin	0	5100
45	New Modi Tent House Ratlam	40000	40000
46	NSDL	4487	0
47	Papu Dhana Banjara Ujjain	176946	34169
48	Parvat Singh Chouhan	0	17492
49	Patel Automobiles Ratlam	100370	0
50	Patel Motors Indore Pvt Ltd Indore	45938	10579
51	Patni Computers, Ratlam	0	3350
52	Patni Enterprises Ratlam	81420	33660
53	Pawan Kumar Mishra Allahabad	22919	22919
54	Pratap Singh Harman Singh	15400	0
55	Premswaroop Ashok Bhai Patel	54000	0
56	Purva Fuel Station Jaora	4364	4364
57	R.K Power Project Bandikui	1173	1173
58	Raj Enterprises, Ratlam	14626	3207
59	Rajesh Patidar	0	49193
60	Ranjeet Offset Ratlam	18963	0
61	Ratlam Electric store Ratlam Panasonic Division	0	130000
62	Reliance Courier Ratlam	0	1699
63	Rupesh Marmat	74759	29754
64	S S Retails Ratlam	38500	0
65	Sakshee Fuels Ratlam	1000	198324
66	Salvagnini Machinery India Pvt Ltd	98921	26487
67	Santosh Kumar Patidar	19800	
68	Sarvanand Bazar	79425	0
69	Shiv Dayal Bhopal	72514	0
70	Shree Ranjeet Printing Press	13244	13244
71	Shri Balaji Sweets and Namkeen Ratlam	48631	0
72	Shri Sai Kripa Pipe Fitting Ratlam	12150	23550
73	Shri Venktesh Diesel - Ratlam	0	865
74	Subhash Transport Mumbai	20945	9735
75	Swagger Infotech	8537	0
76	Tarun Enterprises Ratlam	0	3322
77	Tomar Industrial Security & Placement Service RTM	91260	53820
78	Umesh Prasad Mumbai	4720	0
79	Vakil Shah	0	6500
80	Vansh Motors Ratlam	0	2105
81	Vijay Singh Goyal	8600	8600
82	Vinod Automobiles - Ratlam	0	3356
83	Vinod Kumar Sukla	136890	0
84	VP Logistics Indore	381140	114598
<b>TOTAL RUPEES</b>		<b>5975102.00</b>	<b>5168537.00</b>

**B Advance From Customers**

SNO.	PARTICULARS	31.03.2019	31.03.2018
1	Amarbhaw Power Pvt Ltd	1045000	
<b>TOTAL RUPEES</b>		<b>1045000.00</b>	<b>0.00</b>

**C Other Payables**

SNO.	PARTICULARS	31.03.2019	31.03.2018
1	For Labour Welfare Fund	37000	33500.00
2	For Service Tax	0	9793286.00
3	For Entry Tax	0	467370.00
4	For GST	1115487	105136.00
	Output CGST 18-19	557335	
	Output IGST 18-19	1028	
	Output SGST 18-19	164403	
	Output CGST RCM	155685	
	Output IGST RCM	2017	
	Output SGST RCM	155685	
	Payable CGST,SGST and IGST 17-18	79334	
5	For Professional Tax	23050	27665.00
<b>TOTAL RUPEES</b>		<b>1175537.00</b>	<b>10426957.00</b>



**Depreciation Schedule : 10 As Per Companies Act 2013  
FOR THE YEAR 2018-19**

**NOTE - 10 - FIXED ASSETS**

**NOTE - 10 - FIXED ASSETS**

**NOTE - 9 - SHORT-TERM PROVISIONS****For Others**

SNO.	PARTICULARS	31.03.2019	31.03.2018
1	For TDS on Salary & Wages	204480	70500.00
2	For TDS on Interest	1337245	867193.00
3	For TDS on Contract Payments	136483	50540.00
4	For TDS on Commission	29248	101185.00
5	For TDS on Rent	18920	180000.00
6	For TDS on Remuneration	156000	52000.00
7	For TDS on Legal & Professional Fees	306908	120603.00
8	For Interest Payable	1228298	0.00
<b>TOTAL RUPEES</b>		<b>3417582.00</b>	<b>1442021.00</b>

**NOTE - 11 - LONG-TERM LOANS AND ADVANCES****Security Deposits [Unsecured, considered good]**

SNO.	PARTICULARS	31.03.2019		31.03.2018	
A	<b>Security Deposits</b>		4336333.00		4332673.00
1	Dep.-Account Officer AVVNL Ajmer	1047011		1047011	
2	Dep-A/C Office MPEB Indore	350000		350000	
3	Dep.-A/C Officer [MM] Jaipur Vidyut V.N Ltd	649581		649581	
4	Dep- B.E.S.T Mumbai	100000		100000	
5	Dep. Eastern Coalfield Ltd., Asansol	84250		84250	
6	Dep. Executive Committee (R&R) MHEP, Maheshwar	100000		100000	
7	Dep. Executive Director ISCDL Indore	0		0	
8	Dep. Gujrat Electricity Board	87000		87000	
9	Dep.-MPSEB Jabalpur	500000		500000	
10	Dep.-Municipale Copr (For Office)	25000		25000	
11	Deposite - Bureau of Energy Efficiency	25000		25000	
12	Dep.-Park View Developer Mumbai	134560		134560	
13	Dep- Pious Industries	7325		7325	
14	Dep.Secl Gevra Area A/C Gevra Project	85840		85840	
15	Dep. South Eastern Coalfield Ltd., Bilaspur	321440		321440	
16	Dep.-Sr. A/C Officer CSEB Rapur	20000		20000	
17	Dep-UPSEB Niida	2125		2125	
18	National Securities Exchange of India Ltd(S.D.)	505480		507300	
19	Rent Deposit	14000		14000	
20	Dep.-DIC Lease Rent	744		744	
21	Dep.-MPSEB Power, Ratlam	266697		266697	
22	Dep.- Postmaster Ratlam	2800		2800	
23	Dep.-Sale Tax	1000		1000	
24	Electric Deposit	5480			
25	Dep- Ao Cash BSNL	1000		1000	
B	Advances		823043.00		823043.00
1	Advance - Octroi	50000		50000	
2	Advance Account officer CPRI Bhopal	773043		773043	
C	Retention Recievable From MPPKV co. ltd	357188	357188		
<b>TOTAL RUPEES</b>			<b>5516564.00</b>		<b>5155716.00</b>

**NOTE - 12 - INVENTORIES**

SNO.	PARTICULARS	AMOUNT-31.03.19	AMOUNT-31.03.18
A	<b>Raw Materials</b>	97345750.00	73828133.00
B	<b>Work-In-Progress including stock under billing</b>	228333558.00	180227885.00
C	<b>Finished Goods</b>	23214200.00	9678860.00
<b>TOTAL RUPEES</b>		<b>348893508.00</b>	<b>263734878.00</b>

**NOTE - 13 - TRADE RECEIVABLES****A. Trade Receivables outstanding for a period exceeding six months from the date they are due for payment****- Unsecured, considered Good**

	31.03.2019	31.03.2018
SNO. NAME OF THE PARTY	AMOUNT	AMOUNT
1 A & S Enterprises	219113	0
2 Abdul Assid Abbasi Ratlam	480000	480000
3 Ajmera Infrabuild Pvt Ltd Ratlam	288563	288563
4 AKM Engineering Indore	12956	12956
5 Ashwin Parikh	31500	0
6 CG Power & Industrial Solution Limited	416560	264222
7 Crompton Greaves Limited D&A Division	69583	69583
8 Delux Ice Creame Factory Ratlam	70001	70001
9 Executing Committee Maheshwar Hydro Electric Project	685947	685947
10 G.E.T Power Pvt. Ltd Chennai	1152655	1152655
11 Gopal Radha Kishan Patidar Ratlam	75000	0
12 Indore Development Authority	3192403	3192403
13 Kataria Wire Pvt Ltd	30834	0
14 M.P Madhya Shetra V.V Co. Ltd - Bhopal	2379196	2394332
15 M.P Paschim Shetra V.V Co. Ltd - Indore	0	11149666
16 M.P Paschim Shetra V.V Co. Ltd - Indore (ADB)	1787784	1787784
17 M.P Paschim Shetra V.V Co. Ltd - Indore (ADB) PPR42	102936056	33293972
18 M.P State Electric Board	4066423	4066423
19 M.P. Paschimshetra V.V. Co. ltd. Indore 788, 789, 791,792	61094027	1469366
20 M.P. Poorva Kshetra Vidyut Vitran Co. Ltd. - Jabalpur	2850650	2850650
21 Madhya Pradesh Power Transmission Co Ltd. Jabalpur	8000	0
22 MSEDCL-Mumbai	17918951	17918951
23 pan india utilities Distribution Co Ltd Ujjain	9126953	11626953
24 R.Rajesh Naidu	66425	66425
25 Radha Swami Satsang Agra	590000	0
26 Raj Ratan Electric Stores, Ratlam	70970	163458
27 Ratlam Wires Pvt ltd Ratlam	0	42056
28 Shalakra Infra Tech (I) Pvt . Ltd. Sangli	48090	48090
29 Shree Satyam Computers Ratlam	141600	0
30 Shubham Cunstruction	250000	250000
31 Srajan (Private) I.T.I Ratlam	35000	35000
32 Torrent Power Ltd Agra	283972	0
33 VardiChand Mali	49395	0
<b>TOTAL RUPEES</b>	<b>210428607.00</b>	<b>93379456.00</b>

**B. Trade Receivables outstanding for a period of six months or less from the date they are due for payment [Unsecured, considered good]**

	31.03.2019	31.03.2018
SNO. NAME OF THE PARTY	AMOUNT	AMOUNT
1 A& S Enterprises Ratlam	1450	855339
2 Abhinav Enterprises Indore	68686	15586
3 Ace Engineering & Chemicals Pvt Ltd	0	18880
4 Aquatic Pipes & Tubes Pvt Ltd	1960503	0
5 Arif Scrap Traders	0	49
6 BEST Bombay Ele. S& T.U. Mumbai	2166877	720390
7 Bharat Heavy electrical ltd Bhopal	1932683	1354156
8 BSES Rajdhani Power Ltd. Delhi	764403	4614748
9 BSES Yamuna Power Ltd. Delhi	437636	155639
10 CG Power & Industrial Solution Limited	0	152338
11 Energy Equipment	0	7624779
12 Gopal Radha Kishan Patidar Ratlam	0	75000
13 Hindustan Equipments Pvt Ltd indore	0	183562
14 IPCA Laboratories Ltd., Ratlam	306789	581115
15 K. Venkatrao	31068	0
16 Kataria Wire Pvt Ltd	8968	0
17 M.P Paschim Shetra V.V Co. Ltd - Indore	6196536	0
18 M.P Paschim Shetra V.V Co. Ltd - Indore (ADB) PPR42	30769937	115602674
19 M.P. Paschimshetra V.V. Co. ltd. Indore 788, 789, 791,792	116600298	216027461
20 M.P.P.K.V.V.CO.LTD Indore(IPDS Lot-7)	9677349	3571883

21	Madhya Pradesh Power Transmission Co Ltd. Jabalpur	0	129800
22	Mahalaxmi Investment & Trading Pvt ltd Akola	878138	0
23	MKU Limited (Malwan)	0	442500
24	Pratik Iron & Steel Company	5724484	0
25	Radha Swami Satsang Agra	0	590000
26	Raj Ratan Electric Stores, Ratlam	255324	121729
27	Signet Product Pvt Ltd	650224	0
28	Torent Power Ltd Agra	3425835	3628500
29	V.K. Enterprises	6826949	0
30	Vardi Chand Mali	9900	0
<b>TOTAL RUPEES</b>		<b>188694037.00</b>	<b>356466128.00</b>

#### **NOTE - 14 - CASH AND BANK BALANCES**

##### **Balance with Banks**

##### **A. In Accounts**

SNO.	NAME OF THE BANK	31.03.2019	31.03.2018
1	Bank of Maharashtra Mumbai (1019)	383	55743
2	Punjab National Bank (CD 24569)	1461	2456
3	UCO Bank Baroda (CA/COL/1006)	16559	16559
4	UCO Bank Indore (CA 2305)	26700	26700
5	UCO Bank Jabalpur (CA 602)	82663	82663
6	UCO Bank Mumbai (CA 54129)	6154	6154
7	UCO Bank Raipur (CA10461)	5446	5446
8	UCO Bank Ratlam (CD 533)	1502515	15482
9	State Bank of India (33179608613)	64058	68796
10	Allahabad Bank (50304827547)	8044	7827
11	Bank of Maharashtra Ratlam(60245608150)	8076	8265
12	Oreintal bank of commerce(2056)	3108	2473
13	IDBI Bank Ltd Bhopal 02769	10000	10000
14	UCO Bank Ujjain 1851	9341	9341
15	ICICI Bank Ratlam(039005003215)	50417	79139
16	Canara Bank Ratlam	2355101	320441
<b>TOTAL RUPEES</b>		<b>4150026.00</b>	<b>717485.00</b>

##### **B. Fixed Deposit Accounts with more than 12 months maturity**

SNO.	NAME OF THE BANK	31.03.2019	31.03.2018
1	De Fixed Deposit SIDBI	2405407	2310829
2	Dep.-Margin Money Ag. BG	49577142	44414099
<b>TOTAL RUPEES</b>		<b>51982549.00</b>	<b>46724928.00</b>

#### **NOTE - 15 - SHORT-TERM LOANS AND ADVANCES**

##### **A. Prepaid Expenses**

SNO.	PARTICULARS	31.03.2019	31.03.2018
1	Insurance	333807	265321
2	Bank Charges	825695	2613571
3	Commission Exp	112500	0
<b>TOTAL RUPEES</b>		<b>1272002.00</b>	<b>2878892.00</b>

##### **B Advance to Employees**

SNO.	NAME OF THE EMPLOYEE	31.03.2019	31.03.2018
1	Advance Travelling	77258	82324
2	Advance - Worker	322562	1456218
<b>TOTAL RUPEES</b>		<b>399820.00</b>	<b>1538542.00</b>

C **Loans & Advance to Others**

SNO.	NAME OF THE PARTY	31.03.2019	31.03.2018
1	Abdul Salim Contractor	200	0
2	Abhi Enterprises - Ratlam	490000	490000
3	Anand Saklecha & Co. Indore	136200	0
4	ARB Hotels & Resorts Pvt Ltd	50000	50000
5	Asgar Khan Ratlam	0	4536
6	Ashmor Electricals Ahmedabad	0	1062
7	Bagadiya Jewellers, Ratlam	0	140300
8	Balkrishna Patidar	125457	31111
9	Bhoj Geotech Laboratory- Bhopal	4750	4750
10	Bhola Ram Nishad Ujjain	176985	58057
11	Central Depository Services India Ltd	23600	0
12	Central Power Research Institute-Bhopal	169790	260000
13	Charles Anthony Ratlam	60000	40000
14	Cluster steel pvt ltd	1000000	1000000
15	Comet Industries, Mumbai	0	1739
16	Dasrath Malviya Ujjain	25400	0
17	Dasrath Solanki	92842	0
18	Dilip Singh Chandrawat	0	59487
19	Engineers Associates	0	372880
20	ERDA (Electrical Research& Dev. Ass.)	195248	195248
21	Fanuc India Pvt Ltd	16520	0
22	Fortune Metaliks Limited Raipur	69011	69011
23	Ganesh Lokhanda Ratlam	0	11000
24	Gaurav Engineers	100000	0
25	Giriraj Gupta	356250	356250
26	Hariom Traders	88055	88055
27	Hotel Balaji Cantral Pvt Ltd	99295	0
28	Ikram Hussain	80867	25266
29	Imran Hussain	107522	68479
30	Imran Khan	15314	0
31	Indo Alusys Industries Limited Bhiwandi	1737	0
32	J Ashok Kumar Ratlam	0	12729
33	J.P Enterprises Raipur	40749	40749
34	Jaipur Golden Transport Co (Reg)	0	2812
35	K S Corporation Indore	0	40000
36	Kataria Industries Pvt Ltd Ratlam	0	11836
37	Khumani Steel	41749	41749
38	Kishor Transport	0	6000
39	Lakhan Singh Rathore	43850	0
40	Lallu Pardeshi	103600	17087
41	Lalu Rathod Ratlam	122000	122000
42	Lekhraj Bhati	0	14260
43	Luxur India INC Indore	4000	0
44	Mahesh Winding Wires Pvt. Ltd. Indore	1489618	1664019
45	Malwa Electric & Engineering Co.	300030	300030
46	Manish Pandey	60000	101560
47	Mohanlal Ramdayalji Bhatt	100000	100000
48	Mohini Transformer Pvt Ltd Indore	100000	0
49	Mohsin Khan	249863	154479
50	Nandan Steels & Power Ltd Raipur	754240	754240
51	Narendra Kumar Solanki	0	119122
52	Narendra Singh Bapu Singh Rajput	30335	0
53	Neeraj Soni Ujjain	144730	182729
54	New India Cuprotec Silvassa	554	0
55	Nitin Bhatt	324958	295043
56	NSDL	0	5400
57	Pratha Designs	0	325000
58	Prayas Engineering	90000	0
59	Prisha Engineering Khandwa	0	8040
60	Ram Sanjeevan	30000	30000
61	Ratlam Electric Store , Ratlam	0	90140
62	Saieed	275218	48135
63	Sanjay Gole	0	87189
64	Sanjay Musle	0	4558
65	Santosh Engineering Work	30000	30000
66	Shambhudayal Kushwah Ratlam	273502	112366

67	Shashank Singh Chouhan Ujjain	282223	374822
68	Shree Balaji Packers (H.P.)	1381436	1381436
69	Shree Ji Traders	0	100000
70	Shreem Electric Ltd., Jaysingpur (Mah)	0	1799999
71	Shri Ram City Union Finance Ltd	0	144854
72	Shri Ram Kripa	9100	9100
73	Shyamendra Electric Power Indore	450000	450000
74	Sundaram Finance Ltd Ratlam	7714	0
75	Upendra Choubey	2000	0
76	V.K. Enterprises Ratlam( Rent Deposit)	4802335	6041452
77	Vat Form 32	16435500	0
78	Vikram Singh	0	62
79	Vimal Sharma Ratlam	224976	224976
80	Zoheb Qureshi	0	14073
<b>TOTAL RUPEES</b>		<b>31689323.00</b>	<b>18589277.00</b>

#### **NOTE - 16 - OTHER CURRENT ASSETS**

##### **A Duties & Taxes**

SNO.	PARTICULARS	31.03.2019	31.03.2018
1	Service Tax Credit Entitlement	72144	72144.00
2	GST	934777	6421716.00
	Input CGST Cash Credit	489058	
	Input IGST Cash Credit	13400	
	Input SGST Cash Credit	432319	
3	Vat Tax Refund Due	1613495	
<b>TOTAL RUPEES</b>		<b>2620416.00</b>	<b>6493860.00</b>

##### **B Advance Income Tax, TDS & TCS**

SNO.	PARTICULARS	31.03.2019	31.03.2018
1	Advance Income-Tax & TDS	7291919	10170170.00
<b>TOTAL RUPEES</b>		<b>7291919.00</b>	<b>10170170.00</b>

#### **NOTE - 17 - REVENUE FROM OPERATIONS**

##### **Sale of Products**

##### **A**

##### **(i) Sale of Products (Manufacturing)**

SNO.	PARTICULARS	AMOUNT-31.03.19	AMOUNT-31.03.18
1	Sale of Products (Manufacturing)	159613254	78538823.00
2	Sale of Products( Project)	101457096	368646480.00
		261070350.00	447185303.00
	Add : Excise Duty Collected	0	1739399.00
<b>TOTAL RUPEES</b>		<b>261070350.00</b>	<b>445445904.00</b>

##### **(ii) Sale of Services**

SNO.	PARTICULARS	AMOUNT-31.03.19	AMOUNT-31.03.18
1	Project Sales (Erection)	20975591	102363537.00
		20975591.00	102363537.00
		20975591.00	102363537.00
		0	0.00
<b>TOTAL RUPEES</b>		<b>20975591.00</b>	<b>102363537.00</b>

##### **B Traded Goods**

SNO.	PARTICULARS	AMOUNT-31.03.19	AMOUNT-31.03.18
1	Traded Goods	0	0.00
<b>TOTAL RUPEES</b>		<b>0.00</b>	<b>0.00</b>

**Basic and Diluted Earnings Per Share (EPS), of face value ₹ 10/-**

	31.03.2019	31.03.2018	
<b><u>Numerator</u></b>			
Net Profit for the Year	7726217	22,485,028	
<b><u>Denominator</u></b>			
Weighted average number of equity shares outstanding during the year	10010565	9,513,140	
Net Worth (Rs. In lacs)	#####	#####	
<b>Earnings per Share (annualised)</b>			
Basic	<b>0.77</b>	<b>2.36</b>	
Diluted	<b>0.77</b>	<b>2.36</b>	
<b>Return on Net Worth (in %)</b>	4.01	12.16	
<b>Net Asset Value Per Share</b>	19.24	19.43	
<b>Nominal Value Per Equity Share</b>	10.00	10.00	

**SHRI RAM SWITCHGEARS LIMITED**
**CASH FLOW STATEMENT FOR YEAR ENDED MAR 31st, March 2019**

PARTICULARS		FY 2018-19	FY 2017-18
<b>A</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES :</u></b>		
	<b>NET PROFIT AFTER TAX &amp; EXTRA ORDINARY ITEMS</b>	7,726,217	22,485,028
ADD :	PROVISION FOR TAXES MADE DURING THE YEAR	1,882,084	12,157,815
ADD :	EXTRA ORDINARY ITEM DEBITED TO PROFIT & LOSS A/C	0	0
LESS :	EXCEPTIONAL ITEM CREDITED TO PROFIT & LOSS A/C	0	0
LESS :	TRF FROM FOREIGN CURRENCY FLUCTUATION RESERVE	0	0
	<b>NET CASH BEFORE TAX &amp; EXTRA ORDINARY ITEM</b>	<b>9,608,301</b>	<b>34,642,843</b>
	<b><u>ADJUSTMENT FOR NON CASH &amp; NON OPERATING ITEMS :</u></b>		
ADD :	DEPRECIATION	5,745,889	7,179,798
ADD :	INTEREST ON BORROWINGS	59,381,259	60,979,669
LESS :	RENT EARNED DURING THE YEAR	(299,039)	(303,130)
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>74,436,410</b>	<b>102,499,180</b>
ADD :	INCREASE IN CURRENT LIABILITIES	8,022,122	0
LESS :	INCREASE IN CURRENT ASSETS	37,476,228	49,525,821
LESS :	DECREASE IN CURRENT LIABILITIES		58,769,004
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>44,982,304</b>	<b>(5,795,645)</b>
LESS :	INCOME TAX PAID	16,510,226	12,425,816
	<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>	<b>28,472,078</b>	<b>(18,221,461)</b>
LESS :	EXTRA ORDINARY ITEMS	0	0
<b>A</b>	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>28,472,078</b>	<b>(18,221,461)</b>
<b>B</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES :</u></b>		
ADD :	DECREASE IN LOANS & ADVANCES (ASSETS)	(360,848)	378,294
ADD :	RENT EARNED DURING THE YEAR	299,039	303,130
LESS :	PURCHASE OF FIXED ASSETS	98,000	509,354
ADD :	SALE OF FIXED ASSET	92,521	
<b>B</b>	<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(67,288)</b>	<b>172,070</b>
<b>C</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES :</u></b>		
	SHARE CAPITAL	0	26,700,000



<b>C</b>	FOREIGN EXCHANGE GAIN / (LOSS)	0	0
	REPAYMENT OF LONG TERM BORROWINGS	41,880,670	12,453,486
	INTEREST ON BORROWINGS	(59,381,259)	(60,979,669)
	<b>NET CASH USED IN FINANCING ACTIVITIES :</b>	<b>(17,500,589)</b>	<b>2,203,817</b>
	<b>NET INCREASE / DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>10,904,201</b>	<b>(15,845,574)</b>
	ADD : CASH & CASH EQUIVALENTS IN THE BEGINNING CASH IN HAND / BANK	47,538,594	63,384,168
	<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>58,442,795</b>	<b>47,538,594</b>

Comparative Figures have been regrouped, wherever necessary.

Notes form integral part of these financial statements

AS PER OUR REPORT OF THE EVEN DATE

FOR : **KVNG & ASSOCIATES**

PLACE : RATLAM

CHARTERED ACCOUNTANTS

DATED : 18.05.2019

For and on behalf of the Board of Directors

Sd/-

Sd/- Sd/-

Sd/-

**Ms. Garima Mahalaha**

**Nilesh Jhalani**

**Devraj Jhalani**

**T.S Kothari**

Company Secretary

Managing Director

Director

PARTNER

**M No. A37073**

**Din : 01462299**

**DIN - 01462323**

**M. NO. 075877**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Note No.1 Corporate information**

The company has 1,00,10,565 (One crore ten thousand five hundred sixty five) Equity Shares during the Previous year. The status of the Company is listed public company.

### **NOTE NO .2 Significant Accounting Policies**

#### **A. Basis of Preparation of Financial Statements / use of Estimates**

(i) These financial statements have been prepared in compliance with the generally Accepted Accounting Principles in India including the Accounting standards notified under the provisions of the companies Act, 2013. The Financial Statements are prepared on accrual basis under the historical cost convention and are presented in Indian rupees, rounded off the nearest rupees.

(ii) The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial Statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimate are recognized in the period in which the results are known /Materialized. Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent.

(iii) The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria: – it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle. – it is held primarily for the purpose of being traded; – it is expected to be realized within 12 months after the reporting date; or it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria: – it is expected to be settled in the Company's normal operating cycle; – it is held primarily for the purpose of being traded; – it is due to be settled within 12 months after the reporting date; or – the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current assets/liabilities include current portion of noncurrent financial assets/liabilities respectively. All other assets/liabilities are classified as non-current.

#### **B. Valuation of Inventories (AS-2)**

Raw Material at cost or net realizable value whichever is less, whereas WIP and finished goods are valued at cost. The cost being the latest applicable purchase price since the closing stocks mostly represents items out of the latest purchases . Traded goods are valued at cost.

#### **C. Cash Flow (AS-3)**

Cash Flow statement has been prepared adopting the `Indirect method as prescribed under Para 18 of the accounting Standard -3 on `Cash flow statement.

#### **D. Revenue Recognition (AS-9)**

Revenue (Income) is recognized on accrual basis when no significant uncertainty as to measurability or collect ability exists. Revenues are reported net of discounts. Dividends are recorded when the right to receive payable is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

#### **E. Fixed Assets (AS-10)**

Fixed assets are stated at cost net of duty credit availed less accumulated depreciated and impairments, If any. The cost includes cost of acquisition/construction, installation and preoperative expenditure including Trial run expenses (Net of revenue) and borrowing costs incurred during pre-operation period. Expenses Incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

#### **F. Accounting for Investments (AS-13)**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-Term investments, comprising investments in mutual funds are stated at the lower of cost and fair value.

#### **G. Employee Benefits (AS-15)**

1. Short term employee benefits are recognized as an expense at undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.
2. Post employment benefits: these comprise of defined contribute plans (provident fund).The expense is Recognized at the present value of the amount payable determined using actuarial valuation Techniques.

#### **H. Borrowing Cost (As-16)**

Borrowing costs that are attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in The Period in which they are accrued.

#### **I. Related Party Transaction (As-18)**

Disclosure is being made separately for all the transaction with related parties as specified under accounting standard 18, issued by the Institute of Chartered Accountants of India.

#### **J. Earnings per shares (AS-20)**

The company report basic and diluted earnings per share (EPS) in accordance with the accounting Standard 20 (AS-20) issued by the institute of Chartered Accountants of India. The basic EPS is computed by dividing the net profit or loss for the year by weighted average number of equity Shares outstanding, during the accounting period. Diluted earnings per equity share are computed by using the weighted average number of equity shares and dilutive potential equity shares Outstanding during the period.

#### **K. Taxes on Income (AS-22)**

Current income tax expense comprises taxes on income from operations in India and in foreign Jurisdictions. income tax payable in India is determined in accordance with the provision of the Income tax act,1961.Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operation are domiciled.

Minimum alternative tax (MAT) paid in accordance with the tax laws in India, which gives rise to future Economic benefits in the form of adjustment of future income tax liability, is considered as an Asset if there is convincing evidence that the company will pay normal income tax after the tax Holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the Asset will fructify. Deferred tax expenses or benefit is recognized on timing differences being the Difference between taxable Income and accounting income tax originate in one period and is likely to reverse in one or more subsequent periods. Differed tax assets and liabilities are measured using the tax rates and tax rates and tax laws that have been enacted or substantively Enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of loses, deferred tax assets are recognized Only to the extent that there is virtual certainty that sufficient future taxable income will be Available to release such assets. In other situation s, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-Setting advance taxes paid and income tax provisions arising in the same tax jurisdiction for relevant taxpaying units and where the company is able to and intends to settle the asset and Liability on a net basis.

The company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

#### **L. Impairment of Assets (AS-28)**

At each balance sheet date, the management review the carrying amounts of its assets included in each case generating unit to determine whether there is any indication that those assets were Impaired. If any such indication exists, the recoverable amount of the asset is estimated in Order to determine the extent of impairment loss. Recoverable amount is the higher of an Asset's net selling price and value in use. In Assessing value in use, the estimated future Cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current Market assessments of time value of money and the risks specific to the asset. Reversal Of impairment loss is recognized immediately as income in the statement of profit and loss.

#### **M. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles Requires management to make estimates and assumptions that affect the reported Amounts of assets and liabilities and the disclosure of contingent assets and liabilities On The date of the financial statements and the results of operations during the reporting Periods. although these estimates are based upon management's best knowledge of Current events and actions, actual results could differ from those estimates and Revisions, if any, are recognized in the current and future periods.

#### **N .Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. depreciation on tangible fixed assets have been provided on the Straight-line method as per the useful life prescribed in schedule II to the companies Act,2013 effective from April 01,2014 and depreciation on tangible fixed assets up to March 31,2014 was provided at the rates and manner prescribed in schedule in Schedule XIV of the companies Act,1956

#### **O. Provisions, Contingent Liabilities and Contingent assets**

A provision is recognized when the company has a present obligation as a result of past event and it is Probable that an outflow of resources will be required to settle the obligation, in respect of Which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. Contingent asset is neither recognized nor disclosed in the financial statements.

#### **P. Micro, small & Medium Enterprises Development Act, 2006**

The company has not received any memorandum (as required to be filled by the suppliers with the Notified authority under the micro, small and medium enterprises development Act, 2006) Claiming their status as micro, small and medium enterprises. Consequently the amount Paid/payable to these parties during the year is not ascertainable. consequently, as of Now, it is neither possible for the company to ascertain whether payment to such Enterprises has been made within 45 days from the date of acceptance of supply of Goods or services rendered by a supplier nor to give the relevant disclosures as required Under the act. This has been relied upon by the auditors.

**Q.** Except where stated, accounting policies are consistent with the generally accepted accounting Principles and have been consistently applied.

**R. Sundry Loans, Sundry debtors and sundry creditors are subject to confirmation.**

**S. Contingent Liabilities and Commitments (To the extent not provided for)**

Particulars	31.03.2019	31.03.2018
<b>Contingent Liabilities</b>		
Letter of Credits	4,41,60,206	3,05,42,289
Bank Guarantees Issued & Outstanding	43,03,81,469	36,26,80,320
<b>Total</b>	<b>47,45,41,675</b>	<b>39,32,22,609</b>

**T. RELATED PARTY DISCLOSURES :****NAME OF RELATED PARTY****A. ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL & THEIR RELATIVES HAS SIGNIFICANT INFLUENCE**

MAHALAXMI INVESTMENT &amp; TRADING PVT. LTD.

URBAN DEVELOPMENT TRUST PVT.LTD.

SHRI RAM SWITCHGEAR, RATLAM.

SHRI RAM SWITCHGEAR, MAHARASHTRA.

RATLAM ELECTRIC STORES.

**B. KEY MANAGEMENT PERSONNEL****RELATION**

NILESH KUMAR JHALANI

MANAGING DIRECTOR

ROHIT KUMAR JHALANI

WHOLE TIME DIRECTOR

DEVRAJ JHALANI

WHOLE TIME DIRECTOR

NARESH JHALANI

CHIEF FINANCIAL OFFICER

GARIMA MAHALAHA

COMPANY SECRETARY

**C. RELATIVES OF KEY MANAGEMENT PERSONNEL**

JAYESH KUMAR JHALANI

PREMRAJ JHALANI

SAPNA JHALANI

SHOBHA DEVI JHALANI

CHETANYA KUMAR JHALANI

MADHU JHALANI

UMESH KUMAR JHALANI

**Note : Related Party relationship is as identified by the Company and relied upon by the Auditors.**  
**TRANSACTIONS WITH RELATED PARTIES AS PER THE BOOKS OF ACCOUNTS DURING THE YEAR**  
**(Amount in Rs. Lacs)**

Payment of Expenses	Related Parties			
	Referred in A Above		Referred in B Above	
	2018-19	2017-18	2018-19	2017-18
SALES	444.02	14.48	NIL	NIL
JOB WORK RECEIVED	NIL	0.35	NIL	NIL
PURCHASE	1244.48	1891.59	NIL	NIL
INTEREST ON LOAN	NIL	9.82	27.69	26.92
AMOUNT PAYABLE	1434.50	1319.80	309.12	166.92
REMUNERATION	NIL	NIL	22.92	22.12
OTHER ALLOWANCES	NIL	NIL	NIL	NIL
RENT EXPENSE	NIL	18.00	NIL	NIL

**U. Basic and Diluted Earnings Per Share (EPS), of face value Rs. 10/-**

	31.03.2019	31.03.2018
<b><u>Numerator</u></b>		
Net Profit for the Year	7726217	2,24,85,028
<b><u>Denominator</u></b>		
Weighted average number of equity shares outstanding during the year	10010565	95,13,140
Net Worth (Rs. In lacs)	19,25,63,250	18,48,37,033
<b>Earnings per Share (annualised)</b>		
Basic	<b>0.77</b>	<b>2.36</b>
Diluted	<b>0.77</b>	<b>2.36</b>
<b>Return on Net Worth (in %)</b>	4.01	12.16
<b>Net Asset Value Per Share</b>	19.24	19.43
<b>Nominal Value Per Equity Share</b>	10.00	10.00

**V. Previous year's figures have been regrouped/reclassified where necessary to correspond with the current Year's classification/disclosure.**